



MESSAGES OF THE PRESIDENT

FIDEL V. RAMOS

1992-1998

**BOOK 12 | VOLUME 3**

Historical Papers and Documents

## **ADDRESSES AND SPEECHES**

## **Inaugural Address of President Ramos, June 30, 1992**

### **INAUGURAL ADDRESS OF HIS EXCELLENCY FIDEL V. RAMOS PRESIDENT OF THE PHILIPPINES**

*[Delivered at the Quirino Grandstand, Manila on June 30, 1992]*

#### **“TO WIN THE FUTURE”**

Sa loob ng nakalipas na siyamnapu at apat na taon, labing-isang pinunong Pilipino ang tumindig at naging bahagi ng ganitong seremonya ng ating demokrasya – na nagpa-pahiwatig sa ating mahal na Republika ng makabuluhang pagpapatuloy at isang panibagong simula.

Ang kabanalan ng okasyong ito at ang panunumpa ng pangulo ng bansa ay isang paglingon sa nakaraan at pagharap sa kinabukasan.

Ang kagitingan at katapatan ni dating Pangulong Corazon C. Aquino ang naging dahilan ng muling pagkabuhay ng demokrasya at kalayaan sa ating bansa – at ito’y matagumpay na pinagtanggol laban sa mga rebelde ng ating lipunan.

Dahil kay dating Pangulong Aquino, ang demokrasya ay naging matatag na sandigan laban sa mga mapang-api.

#### **Continuity and a beginning**

Over the last 94 years, 11 Filipino leaders before me have enacted this ceremony of democratic transition, which signifies for our Republic both continuity and a new beginning.

This consecration of the Presidency binds us to the past, just as it turns our hopes to the future.

My courageous predecessor, former President Corazon C. Aquino, restored our civil liberties – and then defended them tenaciously against repeated assaults from putschists and insurgents.

She has made our democracy a fortress against tyrants. Now we must use it to enable our people to take control of their lives, their livelihood and their future.

To this work of empowering the people, not only in their political rights but also in economic opportunities, I dedicate my Presidency.

#### **The temper of the people**

I see three elements in the stirring message of our people in the elections.

First, they spoke out against the old politics. They declared their resolve to be led along new paths and directions—toward the nation we long for—a nation peaceful, prosperous and just.

Second, they reaffirmed their adherence to the secular ideal—of Church and State separate but collaborating, coexistent but each supreme in its own domain. In this spirit, I see myself not as the first Protestant to become

President, but as the twelfth Filipino President—who happens to be a Protestant and who must be President of Muslims, Christians and people of all faiths who constitute our national community.

Third, our people spoke of their faith that we Filipinos can be greater than the sum of all the problems that confront us, that we can climb higher than any summit we have already scaled.

We cannot but interpret the vote as a summons for us to unite and face the future together. The people are not looking for scapegoats, but for the basic things to get done—and get done quickly.

Let us begin by telling ourselves the truth. Our nation is in trouble. And there are no easy answers, no quick fixes for our basic ills. Once, we were the school of Southeast Asia. Today our neighbors have one by one passed us by.

What is to be done? There are no easy tasks, no soft comforts for those chosen by circumstances to forge from the crucible of crisis the national destiny.

We must make hard decisions. We shall have to resort to remedies close to surgery—to swift and decisive reform.

First, we must restore civic order. For without stability, businesses cannot run, workers cannot create wealth, liberty cannot flourish, and even individual life will be brutish and precarious.

Then, we must make politics serve—not the family, the faction or the party—but the nation.

And we must restructure the entire regime of regulation and control that rewards people who do not produce at the expense of those who do. A system that enables persons with political influence to extract wealth without effort from the economy.

The immediate future will be difficult in some areas. Things could get worse before they get better. Sacrifices will be asked of every sector of society. But I am not daunted, because crisis has a cleansing fire which makes heroes out of ordinary people and can transform a plodding society into a tiger.

### **Healing political wounds**

Foremost among our concerns must be to bind the wounds of the election campaign and restore civility to political competition, for our people are weary of the intrigues and petty rivalries that have kept us down.

I will continue to reach out to all the groups and factions making up the political community. As early as possible, I will consult with the leaders of the Senate and the House of Representatives to work out the priorities of the legislative agenda.

I call on our mutinous soldiers and radical insurgents to give up their armed struggle. I will work with Congress in fashioning an amnesty policy that will enable errant reformists to re-enter civil society.

When the time is opportune, I also intend to ask Congress to convene itself as a Constituent Assembly to amend the Constitution.

Let us strive to make our political system fairer to all and more representative of the vastness and variety of our country. Let us all lay to rest our enmities and our conflicts, and this once join together in the reform and renewal of our society.

There are enough problems to engage us all; and if we surmount them, there will be enough glory to share.

### **Return to economic growth**



Next in our priorities is to nurse the economy back to health and propel it to growth.

We must get the entire economy to generate productive employment - keeping in mind that for each citizen, a job means not merely material income, but social usefulness and self-respect.

Here, too, we must begin with the basics—the social services that Government must provide, but has not; foundations of economic health, which we should have set up long ago, but have not.

We cannot dream of development while our homes and factories are in darkness. Nor can we exhort enterprise to effort as long as Government stands as a brake—and not as a spur—to progress.

Both farm and factory must be empowered to produce more and better.

Deregulation and privatization shall set free our industries from the apron strings of the State.

Dismantling protectionist barriers and providing correct incentives and support shall make our industry more efficient and world-competitive—and our exports, the spearhead for economic revival and growth.

The last Congress has given us the law opening the economy to foreign investments. Our job now is to make that law come to life.

What we do for industry, we will supply in equal measure for agriculture, primarily because almost half of all our workers still live on it. And equally because agriculture is the foundation for our industrial modernization.

In this effort, we need a more realistic agrarian reform law which we can fully implement for the empowerment of our farmers. Keeping productivity and effective land use uppermost on our minds, let us set clear targets and do what is practicable.

Let us be firm about the paramount object of our labors. It is to uproot the poverty that grips our land and blights the lives of so many of our people.

### **A moral war on poverty**

I have asked Mang Pandoy and his family to be my guests in this inaugural ceremony—as proof of my resolve to obtain for families like theirs all over the country the humanities of life. Poverty we must learn to regard as another form of tyranny, and we must wage against it the moral equivalent of war.

In this work of expanding the life-choices of the poorest among us, my Government will work hand in hand with non-government organizations and people's organizations.

Throughout the campaign, I heard it said over and over that our national decline derives not from any flaw in the national character - or any failing of the individual Filipino—but from government's historic failure to lead.

We cannot deny the logic of that verdict. For when the systems, rules and conditions are fair and sound, we Filipinos have excelled— sometimes to the astonishment of the world.

My administration will prove that government is not unavoidably corrupt—and that bureaucracy is not necessarily ineffective.

Graft and corruption we will confront more with action results than with words. We will go after both the bribe-takers and the bribe-givers. The bigger the target, the greater will be the Government's effort.

We will prove that effective and efficient government is possible in this country. Not just in national administration, but in the governing of our local communities.

The road to development is by now much traveled. We Filipinos have lacked not the way, but the will. This political will, my Presidency shall provide.

### **Our foreign relations**

In foreign relations, we shall strive to strengthen ties with old friends and trading partners and we shall endeavor to develop new friendships.

My Government begins its term in a world transformed. The tide of freedom rising everywhere should help along our efforts to make democracy work here at home.

By the gift of Providence, our archipelago is strategically located in the critical sea lanes of Asia and the Pacific. This geopolitical fact shapes our relations with the world—a sense of responsibility for the building of peace and stability in our region, and a recognition of opportunity in our quest for development.

Diplomacy for development will be our central foreign policy thrust.

While residual political-military dangers may linger in the region, securing continued access to markets and technology must become Southeast Asia's primary concern. This we will pursue in concert with our regional partners and neighbors.

Can we accomplish all we need to do within six years? Yes, we can. We can lay the ground for self-sustaining growth and more. But we can win the future only if we are united in purpose and in will.

The Filipino State has historically required extraordinarily little of its citizens. As individuals, we Filipinos acknowledge few obligations to the national community. Yet, if we are to develop, citizenship must begin to count more than ties of blood and kinship. Only with civic commitment does development become possible in a democratic society.

### **Private irresponsibility**

Certainly, there can be no more tolerance of tax evasion, smuggling and organized crime—no matter how highly placed those who commit it. Nor can we continue to turn a blind eye to the social costs of unbridled profit.

The loss of our forests, the desiccation of our soil, the drying-up of our watercourses, and the pollution of our cities—these are the public consequences of private irresponsibility. We must stop this profligate use and abuse of our natural resources, which are ours only in trust for those who will come after us.

Some of us think that empowerment means solely the access of every citizen to rights and opportunities. I believe there is more to this democratic idea. Our ideology of Christian democracy, no less than its Muslim counterpart, tells us that power must flow to our neighborhoods, our communities, our groups, our sectors and our institutions—for it is by collective action that we will realize the highest of our hopes and dreams.

During my term, we will be celebrating the centennial of our national revolution—those shining years between 1896 and 1898 when we were a beacon of freedom for the whole of colonial Asia.

Generations of our heroes—from Sultan Kudarat to José Rizal—speak to us across history of the strength that unity can confer on any people.

Yet we Filipinos have always found unity difficult—even in the face of our crises of survival.

We were conquered by colonizers because we did not know our own strength.

Today, in the midst of our trials, we must learn how strong we can be— if only we stand together. This nation, which is the collective sum of our individual aspirations, cannot remain divided by distrust and suspicion. Either we rise together—above our self-centered bickerings and factional quarrels—or we fall into the pits we have dug for one another.

In 1890 Rizal, envisioning “The Philippines a Century Hence,” regarded as inevitable—as decreed by fate—the advancement and ethical progress of the Philippines.

### **Redemption is in our hands**

We who are closer to that time have a more diminished sense of our possibilities.

Kung nais nating matupad ang pangarap ni Rizal – “Karagdagang katarungan at malawak na kalayaan “–sundin natin ang kanyang tagubilin:

Itakwil ang pagkawatak-watak ... yakapin ang pagkakaisa ... at minsan pa’y buhayin natin ang diwa ng ating bansa.

Tulad ng natanaw ni Rizal, ngayon na ang panahon upang sabihin sa ating sarili—na kung nais nating makaahon, kung nais nating umunlad, dapat tayo’y kumilos sa ating sariling pagsisikap. Sa pagkilos na ito, sabi ni Rizal, “dapat nating ibuhos ang buong liwanag ng ating mga kaisipan at lahat ng tibukin ng ating puso.”

Sa aking pagsisilbi sa bayan, ang aking pinakamatagal na serbisyo ay bilang kawal-Pilipino—kaya marahil ay kulang ako sa taginting ng isang orador kung ihahambing sa mga nauna sa akin sa panguluhan ng ating bansa.

Subali’t ako’y nakikiisa sa kanilang pananaw at pangarap. Ang bansang ito’y magtatagumpay. Ang bansang ito’y mananaig. Ang bansang ito ay uunlad muli—kung tayo ay magkakaisa.

Nasa harap natin ang pagsubok at paghamon; harapin natin nang sama-sama at nagkakaisa.

Huwag tayong mawawalan ng pagtitiwala sapagka’t hindi tayo mabibigo. Ang ating mga layunin, ang ating mga mithiin, ay makatarungan, kaya ang Panginoon ng ating mga ninuno ay tikay na pumapatnubay sa atin.

### **Doing as Rizal prescribed**

If we are to attain what Rizal wished for his posterity—“More law and greater liberty”—we must do as he prescribed. We must stifle our dissensions and summon once more the spirit of this nation.

As Rizal foresaw, the time has come to tell ourselves that if we wish to be saved, we must redeem ourselves. And in this work of self-redemption, we must “expend the whole light of our intellect, and all the fervor of our hearts.”

For most of my public life, I have been mainly a citizen soldier, wanting in eloquence compared to those who have preceded me in this rite of democratic transition. But I share their vision of what our nation can become. This nation will endure, this nation will prevail and this nation will prosper again—if we hold together.

Before us lies the challenge: Come then, let us meet it together. With so much for us to do, let us not falter. With so little time left in our hands, we cannot afford to fail.

And with God’s blessing for all just causes, let us make common cause to win the future.

Source: Trinidad Fernandez, et. al., ed. *Ours must be a Nation of Empowered People: The Inauguration of President Fidel V. Ramos* (Makati City: Studio 5 Publishing, Inc. 1993),—.

**NATIONAL GOVERNMENT PORTAL – EDITED AT THE OFFICE OF THE PRESIDENT OF THE  
PHILIPPINES UNDER COMMONWEALTH ACT NO. 638**

**Speech of President Ramos at the 25th Association of Southeast Asian Nations Foreign Ministers' Meeting**

**Speech  
of  
His Excellency Fidel V. Ramos  
President of the Philippines  
At the 25th ASEAN Foreign Ministers' Meeting**

[Delivered on July 17, 1992]

**A season of grace  
in Asean**

ON BEHALF of the Republic of the Philippines, I am pleased to welcome the Foreign Ministers of the Association of Southeast Asian Nations and their distinguished guests to this 25th Ministerial Meeting.

That ASEAN has survived—and prospered—as our instrument of regional cooperation gratifies me in a personal as well as in an official way.

As some of you may know, my father—as Foreign Secretary of the Philippines—was one of ASEAN's founding parents, together with Adam Malik of Indonesia, Tun Razak of Malaysia, Rajaratnam of Singapore and Thanat Khoman of Thailand.

**Carrying on**

As the second-generation Ramos in ASEAN, I am fortunate to be able to help carry on—in however small a way—this noble work that my father and his colleagues began in August 1967.

This early, I have made up my mind that, after my most urgent homework is done, my very first State visit shall be to an ASEAN capital.

The promise of regional peace your predecessors pursued 25 years ago has become a reality. As they foresaw, ASEAN has proved to be a stabilizing influence—most notably in Indochina—as well as an effective counterpoise to big-power ambition in Southeast Asia.

ASEAN's beneficial influence is confirmed by what I understand is to be one of the highlights of this meeting in Manila—the accession of the Socialist Republic of Vietnam and the Lao People's Democratic Republic to the Treaty of Amity and Cooperation, signed in Bali in 1976.

In economic terms our region's dynamic peoples, its rich resources, and its high growth rates have won ASEAN a large measure of respect everywhere in the world. Our region is recognized as a powerhouse of industry, technology and entrepreneurial ability in the Pacific Basin.

Gentlemen and ladies of the 25th Ministerial Meeting: All things considered, you certainly have a tough act to follow!

**A season of grace in ASEAN**

Console yourself with the thought that you meet at a good time: The thaw in the Cold War has generated its own season of grace in our part of the world.

In Afghanistan, in Indochina and even on the 38th parallel, we have recently seen some welcome warming of attitudes once seemingly frozen in permafrost hostility.

Of course there are potential flash points—like the Spratlys—which remain. But disputes like this always crop up among neighbor-countries—if they don't, then governments would have no need for foreign ministers: I trust (as I'm sure the other heads of state do) that resolving them is not beyond your collective ingenuity.

Let me just say I hope—I believe—that the regional atmosphere evolving will give all our countries some leisure to deal with problems at home.

We Filipinos are determined to use this breathing spell to shed the social weakness that have made us what our more colorful journalists call "The Sick Man of Southeast Asia."

We are working to restore our economy and our democracy—both of which were devastated by 13 years of strongman rule—and to ease the poverty that oppresses so many of our people.

In the process, we Filipinos are relearning some basic truths about the political community. And the sum of these is that civic life in a democracy is a constant give-and-take between opposing points of view and centers of intermediate power. No one faction or one ideology may monopolize power by violence of the truth.

In fact we've just come through a general election which confirmed that the civil liberties we had won for ourselves six years ago are alive and well.

My new Government's first concern is to restore civil order—for without stability our economy cannot return to growth.

After 22 years, our radical insurgency is at last winding down. The fulltime guerrillas of the so-called New People's Army are down to 13,480 from a peak of 28,800 in 1988; and the villages they influence are down to 2,819 from 8,496 in 1986.

Even so, the insurgency each year still extracts from us too much in blood and treasure: This is why we're looking for a peaceful, once-and-for-all settlement not only with our insurgents but also with our mutinous officers and our separatists in portions of Mindanao and Sulu.

We have also taken responsibility for our own external security—with all that decision implies in belt-tightening and self-sacrifice, to raise our armed forces' capability to defend our borders.

I assure you—our regional friends and partners—that we Filipinos will not be a charge on the ASEAN community: We are prepared in every way to account for ourselves.

Our radical insurgents had looked forward to a world revolution to which their own protracted rebellion could relate. A revolution did break out throughout the globe. But it is a revolution not of the bureaucratic State, but of the individual spirit.

Everywhere we have been seeing the immense political power—the moral authority—that ordinary people can exert, just by standing together for their rights.

I believe we are at a new age of democratic participation—the age of people power. People everywhere are no longer content to be bystanders in the unfolding of their country's history.

We in ASEAN have been wise to welcome democratic participation in every aspect of national life, for it is the bedrock of national—and therefore of regional—stability.

### **The politics of world trade**

Apart from increasing trade among ourselves, securing continued access to Western markets and technology must now become the most vital—and common—concern of ourselves and our regional partners.

This concern we can best express cooperatively through ASEAN and similar supranational groupings in our continent.

For the danger is real that in world affairs, trade will replace war as the continuation of politics by other means.

We must also do all we can to ensure that the new world order does not result in a resurgence of narrow nationalisms; that many small conflicts do not replace the single big one.

For the East Asian region, our obvious resort is to try and arrange among ourselves an internal balance of political and economic power sufficient to ensure our collective stability and peace—an internal balance that will not require the guarantee of outside powers.

In this new balance of power, Japan, China, Indonesia and Australia will necessarily have a large role.

We in ASEAN must also strengthen our support for the United Nations and its political-economic instrumentalities.

Not only is the world organization the logical authority to keep open the channels of world trade. As a mechanism for cooperation among the big powers, the United Nations is bound to have a bigger role in peacekeeping and in the resolution of disputes between nations.

### **Gathering quit countries together**

Over the past quarter of a century, ASEAN has gathered our countries together—like rice stalks in a sheaf at harvest time—in common action to accelerate the economic growth and the cultural development of our region, in the spirit of equality and friendship.

In doing so ASEAN has merely confirmed Southeast Asia's ancient sense of unity—in ethnicity, culture and aspiration.

Let us move on together on this historic journey we have embarked on—to attain the fullness of freedom, peace and prosperity for ourselves and our posterity.

*Source:* **Presidential Museum and Library**

Ramos, F. V. (1993). *To win the future : people empowerment for national development*. [Manila] : Friends of Steady Eddie.

**OFFICIAL GAZETTE OF THE REPUBLIC OF THE PHILIPPINES**

**ATIONAL GOVERNMENT PORTAL – EDITED AT THE OFFICE OF THE PRESIDENT OF THE PHILIPPINES UNDER COMMONWEALTH ACT NO. 638**

**Speech of President Ramos at the Bishops-Businessmen's Conference**

**Speech  
of  
His Excellency Fidel V. Ramos  
President of the Philippines  
At the Bishops-Businessmen's Conference**

[Delivered at the Manila Hotel, July 22, 1992]

**A new social contract**

THANK YOU very much for inviting me to this Conference, which many recognize as one of the most influential. Influential not only because of the spiritual and economic leadership which this group wields but, more important, because it is in the best position to help improve the quality of life of our poorer brethren.

Today we all acknowledge that there is a material and public component to our human dignity.

**The practical uses of equality**

In our time, the public sphere of our common life has many concerns. And we agree that the most urgent of these is the issue of social justice—of the more equitable sharing of prosperity.

There are many reasons that compel us to attempt this—self-interest included—because the few who are rich can never be secure in their possessions, living in the midst of so many who are poor. Then, also, Christian charity admonishes us not to harden our hearts, nor shut our hands, for as long as there is among us a poor man. . . .

But beyond Christian charity there is a very practical reason we should do all we can to redress the imbalance between rich and poor in national society. And this is that a measure of social equality is good both for political openness and for economic development that sustains itself.

This truth is self-evident in the experience of other Third World countries. *Gross* inequality unavoidably leads to still-greater inequality, no matter how much growth society as a whole achieves.

By contrast, in countries where some social leveling — typically through agrarian reform—preceded periods of economic growth, then development not only wiped out mass poverty but also generated popular pressures for democracy.

What this simple fact of life tells us is that we need to establish in national society a measure of equality which can make economic growth meaningful to the lives of the masses of our people.

**The public use of wealth**

This is why I'm highly pleased that the BBC has taken up Pope John Paul II's suggestion that those responsible for our country's public life, those who control its economy, those engaged in education and science and other



influential forces in society bind themselves in a social contract to work to benefit ever greater numbers of their fellow-citizens.

The goals—visions—that your social contract seeks, my Government shares.

I welcome your willingness as the private owners of wealth to make public use of it; as I welcome the role of religious faith in forming the civic conscience and imparting a moral dimension to citizenship.

At my Inaugural, I declared my resolve to obtain for the poorest of our poor the humanities of life.

I urged our countrymen to regard poverty in the Philippines as a kind of tyranny which oppresses so many of our people—a tyranny against which we must declare the moral equivalent of war.

Until now we have relied on “trickle-down” mechanisms—from large Government projects and national businesses—to ease mass poverty. But development has not trickled down, because there are few channels through which growth can flow downward.

Little financing is available for the poor. And their production systems are limited by their technology, their skills and their lack of access to markets.

### **A direct attack on poverty**

The only way to wipe out Philippine poverty is to make a direct attack on it. All the agencies of Government must take on a *pro*-poor bias. They must begin to stress the well-being of the majority among us who are without the means to lead decent and useful lives.

I mean to initiate programs and projects that address directly the concerns of specific groups of the poor—marginal farmers, coastal fishermen, upland cultivators, disempowered women, out-of-school youths and urban squatters.

My Government shall intervene not just to generate job opportunities and skills training. To enhance each Filipino family’s capability to provide for the basic necessities: to be nourished, to be sheltered, to be productive.

It is because of this that I have shown grave concern over rising prices of prime commodities and the lack of job opportunities for those eager to work. We shall go far in feeding undernourished schoolchildren in the poorest communities; and we shall help poor people organize to protect their human and political rights for their own sake.

As an earnest of my Government’s seriousness, I intend to create a Presidential body ultimately responsible for poverty eradication. This proposed body will oversee the antipoverty programs of the concerned departments, commissions and other agencies and coordinate their efforts with the rest of the bureaucracy.

As soon as Congress opens, I shall be sending it a message in this regard.

Immediately, we shall be realigning the proposed 1993 Budget in a deliberate effort to bring up our poorest regions, provinces and towns to the level of the more developed ones.

To a great degree, the poorest Philippine regions are poor because they have had less access to basic Government services than the other regions.

We shall be allocating to these poor regions and provinces more than their usual share of electric power, elementary schools, health clinics, farm-to-market roads, irrigation systems and other basic infrastructure.

### **A bias for the poorest regions**

We shall also see to it that they have increasing access to land, credit and technology.

We shall be encouraging towns and barangays to establish Community Action Programs which Government and the private sector can support with Rinds and expertise.

Government shall be setting measurable standards for gauging its success in easing poverty year after year—in terms of increased literacy, lower infant mortality, rising per-capita incomes and so forth.

All these plans can be realized — and realized speedily — if the more influential sectors of our society heed our call for unity. They are in the best position to set the example for the great majority of our people.

I urge them now to speak well of each other instead of finding fault. Let us rally together in support of the national leadership instead of magnifying alleged quarrels and bickerings. Let us forge a stronger feeling of nationhood ahead of pursuing partisan politics and narrower interests.

Part of our task must be to compel the comfortable to fulfill their civic responsibilities.

In this work, both business and organized labor must help. Countervailing pressure must be raised against the interest-groups determined to keep things as they are. Popular opinion must generate a national consensus for reform and change.

In building this consensus for reform, the Bishops-Businessmen's Conference can be a tremendous force—because it adds the quality of compassion to the dynamism of individual enterprise.

### **The rock of responsibility**

In the final analysis, human societies seek economic growth not just because it enables human beings to accumulate material goods. Economic growth is important because it allows greater human freedom.

Economic growth will mean nothing unless it leads us to a humane society. We cannot accept private enterprise that is based on exploitation and inequality. We cannot accept development that tolerates the persistence of poverty in national society.

As John Paul II reminds us, what counts in the end is the transcendent dignity of the person: what we must seek to build is a national community founded on the rock of mutual responsibility.

*Source:* **Presidential Museum and Library**

Ramos, F. V. (1993). *To win the future : people empowerment for national development*. [Manila] : Friends of Steady Eddie.

**NATIONAL GOVERNMENT PORTAL – EDITED AT THE OFFICE OF THE PRESIDENT OF THE PHILIPPINES UNDER COMMONWEALTH ACT NO. 638**

**Address of President Ramos at the Ten Outstanding Young Men (TOYM) Awarding Ceremonies**

**Address  
of  
His Excellency Fidel V. Ramos  
President of the Philippines  
At the Ten Outstanding Young Men (TOYM) Awarding Ceremonies**

[Released on July 31, 1992]

**The politics of the young**

DESPITE extreme work-pressure, I made sure I got here—because, among all the multitudinous awards that we Filipinos like to hand out to each other, I regard this annual tribute which the Philippine Jaycees and the Gerry Roxas Foundation together pay to the brightest and the best of our young people as worth while encouraging by the Presidency.

And one obvious reason is that this Award is the most appropriate for a young country like ours. After all 53 percent of all Filipinos are below 20 years old; while only three percent are about 65.

We who are old have made our mistakes. We have been humbled by life: We have learned its limitations. Therefore we are by definition cautious, circumspect, tentative.

**Instilling the dynamic qualities of the young**

Conservatism is no mean quality—but it is a quality of settled societies, of societies past their prime; and not of societies like ours, whose golden age lies ahead—not behind—us.

This is why, in our urgent effort to lift up the common life, we need to infuse in the national spirit the dynamic qualities of young people—the willingness to challenge old beliefs and to experiment with new ways and new things; the daring to think big; the resilience that disdains failure; and the boundless energy to pursue excellence wherever it may lead.

These are qualities we need desperately in our time in Government, in business, in science, technology and the other professions, in art and culture. I am particularly pleased that among those you have chosen, one of our own young men in the Cabinet is here, together with young Senator Joey Lina.

We also have from the Presidential Management Staff one who is an awardee tonight: our Commissioner on Elections.

A while ago José Pardo, president of the Philippine Chamber of Commerce and Industry, said that I must select TOYM or TOYM-WS for my Cabinet. That is what I have done—without knowing that they were TOYM awardees. You could tell the quality of these people—eight of whom are now in my Cabinet—because of the service, performance and record they have achieved since being given the TOYM Award.

These people are either Cabinet-rank or Cabinet members. They are José Cuisia, Governor of the Central Bank; Armand Fabella, Secretary of Education, Culture and Sports; Juan Flavio, Secretary of Health; Daniel Lacson, Presidential Adviser on Rural Development with Cabinet rank; Rodolfo Reyes, Press Secretary; Ramon del Rosario

Jr., Secretary of Finance; and Joseph Estrada, Chairman, Presidential Anti-Crime Commission, which makes him a member of the Cabinet in addition to being the Vice -President of the Republic.

### **Seeing our country afresh**

We need to look at our country and our people afresh—to see our country, not as the “Sick Man of Southeast Asia,” as it is today contemptuously called: and our countrymen not as the abject housemaids and coolies of more fortunate peoples.

We need to look at our nation through the eyes of the young: to see in our mind’s eye what greatness it can attain.

We need to see our nation as our revolutionary heroes of a hundred years ago must have seen it at its birth—as a nation in which every good thing is possible.

In a way, our times are as revolutionary—as radically different from the immediate past—as the times were during the nationalist agitation, in the last years of Spanish rule, which saw the rise of a generation of heroes as young as—if not younger than—the nine young people in whose honor we are gathered here tonight.

### **Young heroes of the Revolution**

Of our galaxy of heroes from the Revolutionary Period—starting from the Propagandists of the late 1880s and ending with the political nationalists of the early American period—everyone would have easily met the age—and achievement—requirements of today’s TOYM Awards.

For instance, Graciano López Jaena was 32 years old when he founded *La Solidaridad* in Madrid.

Of all the heroes of the Revolution, Marcelo del Pilar was the late bloomer: he was 39 when he took over the editorship of *Sol*. But by then he was a veteran of the Propaganda Movement. He started attacking the frailocracy in his native Bulacan as a lawyer aged 30. And his satire was so biting that he had to flee to Spain to escape persecution by the monastic sovereignty.

At 26 years of age, José Rizal had finished the *Noli*; and at 35, he was dead, the first and greatest martyr of the Filipino nation then being born.

Andrés Bonifacio founded the Katipunan when he was 29 years old. And when the Revolution began, Bonifacio’s faithful deputy, Emilio Jacinto, was still four months short of 21.

Emilio Aguinaldo was the victorious general of the Revolution at age 27 and founder of Asia’s first free Republic at age 29.

General Gregorio del Pilar was only 25 when he fought his last battle, as Aguinaldo’s rear guard, at Tirad Pass.

Apolinario Mabini was 34 when he took up the intellectual and political leadership of the Malolos Republic.

And Sergio Osmeña and Manuel L. Quezon were both aged 29 when Osmeña became Speaker and Quezon the Majority Floor Leader of the first Philippine Assembly under American rule in 1907.

### **The shape of future politics**

Today—as a hundred years ago—there is no lack of public tasks through which our young people can attain their own kind of civic heroism. And the most urgent is the reshaping and modernization of national politics.

In 1992 we saw the beginning of the end for the traditional patronage politics. Thanks to the city and town middle class, we may expect the rise of a more open, more honest, a cleaner, more idealistic, more purposeful kind of politics—the politics of the young.

Under this new politics, future Presidents, senators, congressmen and high local officials should be able to appeal above the heads of the politicians directly to the electorate.

As you know, I have made conciliation with our radical insurgents a keystone of my efforts to restore stability to our country. And one reason I am doing so is to prove to our idealistic young people who make up the cadres of the insurgency that national society is not closed to the possibilities of peaceful change.

Another urgent task is that of social justice—of the more equitable sharing of the fruits of economic growth. I note that there is a young entrepreneur among our honorees. I trust that our young risk-taker will make a *public* use of the *private* wealth his talent will amass for him.

At my Inaugural—and again at my State of the Nation Address—I declared my resolve to obtain for the poorest of our people the humanities of life.

I ask you—our nine young honorees and the young businessmen and professionals who are your hosts—to join me in a crusade to lay down the social and economic infrastructure on which the Filipino poor can build new lives.

Part of our task must be to compel those Filipinos who are not poor to fulfill their civic responsibilities.

I find it strange that the people who are resisting most strenuously the imposition of new taxes are those very same ones who are the most notorious evaders of the old imposts.

### **Appeal to young people**

You and I must work together—to raise countervailing pressure against those interest-groups determined to keep things as they are. Groups like yours must speak and act for the Filipino poor—until the poor are strong enough to speak and act on their own.

You and I must generate a national consensus for eradicating national poverty and attaining a measure of social equality—because, at least in the short term, pro-poor programs will work against the interests of the nonpoor. More farm-to-market roads in the Bicol Peninsula will initially mean fewer flyovers in Metro Manila.

Human societies seek economic growth not just because it enables human beings to accumulate material goods. Economic growth is important because it allows individual human beings to realize the full possibilities of their lives.

Economic growth will mean nothing unless it leads us to a humane society.

What we must seek to build—my young friends—is a national community founded on the rock of caring, of accepting joyfully our responsibility for one another. And in this work you must insist on becoming our full partners. After all it is you who will have to live with our failures, no less than our triumphs.

*Source:* **Presidential Museum and Library**

Ramos, F. V. (1993). *To win the future : people empowerment for national development*. [Manila] : Friends of Steady Eddie.

## Speech of President Ramos at the 88th Anniversary of the Bureau of Internal Revenue

[Delivered on August 5, 1992]

I AM PLEASED to be asked to join in your 88th Anniversary of the Bureau of Internal Revenue.

So I have come here not just to greet you on your anniversary but to felicitate all of you—management and rank and file—for having exceeded your revenue targets of June 30, 1992—and to exhort you to even greater efforts.

Despite the pressure of work, I made sure I got here—because how well the BIR works is of primary importance to the Ramos Administration. We have set ourselves what many people regard as highly ambitious goals over the next six years. We are determined to return our economy to growth—and this means investing in the public infrastructure and services upon which private enterprise can build businesses and generate jobs.

These twin goals we can achieve—but only if we have the funds to make the correct investments in the right proportion. The main source of public finance is of course the revenue system, of which this Bureau is the biggest part.

How well Government does significantly depends on how well the BIR does. In turn, the quality of the overall tax effort is determined by how well you do your individual and collective jobs—as officials and employees of the Bureau of Internal Revenue.

This is why Finance Secretary Ramon del Rosario, Commissioner Ong and I are determined to do everything humanly possible—perhaps we shall go even beyond that—to raise BIR’s work standards, efficiency and output.

## Enormous rate of tax evasion

It is true our tax efficiency has improved substantially over the past few years. But, having said this, we still must admit that, historically, our tax effort still suffers when compared with what other East Asian countries have been achieving.

Over the 17 years between 1972 and 1988, our tax effort averaged about 12 percent of GNP. While improving, this is still well below the record of our neighbors in ASEAN. Malaysia, for instance, collects the equivalent of more than 22 percent. Indonesia collects 17 percent, and Thailand more than 16 percent.

BIR statistics themselves tell us five million Filipinos should be paying taxes—but only two million do. Estimates of annual revenue losses from various means of tax evasion are put at between P16 billion and P37 billion.

Taken as a whole, our tax structure is still regressive. Indirect taxes still account for 65 percent of all taxes—and, as a result, poor and middle-class Filipinos pay in taxes a greater proportion of their income than rich Filipinos do.

Our property taxes, for one, still are positively “prehistoric.” That is how they were described by a shocked Asian Development Bank economist who studied them. And it is true that property taxes make up only 0.7 percent of total tax collections.

We must also hasten to plug the tremendous tax leakage caused by the grant of tax exemptions and privileges to some elements by the abuse of the “infant industry” principle.

Because Government’s spending capacity has not kept up with its increased responsibilities, our inadequate tax effort had led to the reduction of basic social services, to include garbage collection, traffic management, water and power, peace and order and protection of the environment.

### **What are we going to do?**

We obviously cannot allow this situation to continue.

We must find ways to persuade or even compel the non-poor and the more capable to carry a larger share of the burden of community concerns.

Taxes are the price we pay for living in a civilized society.

The individual who cheats on his taxes weakens his Government in its fight against crime, insurgency and other social disorders. In so doing, he undermines not only his own physical and economic welfare but those of his fellow citizens.

I have asked Congress to enact various tax reform measures that have been drawn up in consultation with BIR top management with the Cabinet and congressional leaders. These include procedures for improving tax administration of large taxpayers; reforms in the value-added-tax system, and increased penalties for tax evasion.

We will impose these penalties rigorously—without fear or favor.

In the context of these objectives, we may ask: what makes a taxpayer honest or dishonest?

The answer lies not only in the taxpayer’s sense of patriotism or civic obligation or the lack of it. Part of the answer lies in the quality of the internal revenue service.

If the BIR is managed by men and women of proven competence, dedication and integrity, then I am sure taxpayers will react responsibly and generally be honest in paying their tax obligations.

On the other hand, if those in charge of tax collection are indifferent, apathetic—or worse—easily susceptible to wrongdoing, then one must expect even the normally decent taxpayer to think about making a deal that will reduce his overall tax liability.

### **Rewarding virtue**

The bottom line is that the BIR will succeed in collecting what is legally due the Government only if everyone in the Bureau will do their jobs well and honestly.

I am prepared to reward virtue—as I am fully prepared to punish wrongdoing in the BIR. I have asked Congress for legal authority to reclassify to highly sensitive status BIR and Customs positions.

Let no one underestimate my own determination—my personal commitment—to give our people good and clean government.

*Huwag na tayong magsubukan—at ako ay talagang subong-subo sa layuning malinis at mabisang pamamahala.*

It has almost become automatic that every time the executive branch proposes to the legislature a new tax measure, Congress throws back to it the issue of taxes uncollected; and of sweetheart deals made between taxpayers with large liabilities and our revenue agencies.

The Government needs to recover its moral authority on this issue—and I will exert political will to regain it.

We know there are many scalawags in the service, including the BIR. We know that some are obsessed with generating revenues from taxpayers not for the Government but for themselves.

We know there are those who violate policies and programs and repeatedly deviate from established systems and procedures.

We know there are those who are engaged in systematic harassment of taxpayers.

We know there are those who make highly arbitrary tax assessments for ulterior motives.

### **Modernizing tax systems**

These abusers and offenders are the elements in your organization who erode the confidence of the public not only in the BIR but in the Government. These are the few who have blackened the reputation of the entire BIR. I have instructed Secretary Del Rosario and Commissioner Ong to take tough action against these offenders.

I want this done now and I want it done fast. I have pledged to both of them my full support, and am prepared to deploy our investigative and prosecution agencies to help in this task.

And if it should be necessary to restructure the organization to make it more efficient, then let us do it—by executive and legislative action as necessary.

Efficiency in collecting taxes is not one-sided. As a former commissioner of the U. S. Internal Revenue Service has wisely observed, taxpayers in exchange deserve a system that “minimizes complexity, uncertainty and administrative burdens.”

An important challenge we face is to modernize our BIRs systems. I understand you have an ongoing modernization program—designed to benefit from the new information technology.



You can count on me to support this modernization program—wholeheartedly and in every way I can. I count on you to be my allies and partners in this work I am determined to accomplish for our country and our people.

Ladies and gentlemen of the Bureau of Internal Revenue, we are faced with the historic opportunity for an economic take-off that has long eluded our nation. Because time is so short, we have higher than normal goals. We need to accomplish programs that must be supported by sufficient revenues. You have it in your hands to help Government achieve those aspirations for our people.

Let us maintain the forward momentum and advance!

*Source:* **Presidential Museum and Library**

Ramos, F. V. (1993). *To win the future : people empowerment for national development*. [Manila] : Friends of Steady Eddie.

**NATIONAL GOVERNMENT PORTAL – EDITED AT THE OFFICE OF THE PRESIDENT OF THE  
PHILIPPINES UNDER COMMONWEALTH ACT NO. 638**

**Speech of President Ramos at the President's Night, Manila Overseas Press Club**

**Speech  
of  
His Excellency Fidel V. Ramos  
President of the Philippines  
At the President's Night, Manila Overseas Press Club**

[Delivered at the Manila Hotel, August 6, 1992]

**The role of the President**

OVER the past year, I have been a guest of this prestigious press club enough times to be able to claim some familiarity— and even friendship—with most of you. As you can see, Jess Sison has taken liberties with protocol by embarking on a very, very long unauthorized introduction of your guest speaker.

But having appeared here several times also carries with it some perils. Fortunately, I don't have a reputation for rhetorical extravagance. By temperament, I am not the proverbial orator who, before he speaks, prays: "Oh Lord, let my words be tender and sweet, for tomorrow I may have to eat them."

**The course is set**

Indeed, if I understand correctly some criticism of my Administration, I am faulted by some for being cautious with my words, promises and actions. And although business optimism is in the air, as reported in some quarters, it is not the kind that can be described as euphoria or hysteria.

I do not see the tasks of administration, however, as a race for public approval, though cheers are welcome and encouraging. If it is a race at all, it should be a race with national problems. And to win this race, I believe we ought to be prepared for its rigors and challenges, and we must not rush headlong into half-baked initiatives and proposals. I have said before—and I do believe I am still faithful to this commitment—that I shall hit the ground running. But I must first make sure the ground under me is stable.

In my 37 days in office, I have been concerned with laying the foundations for Government policies and programs, and for the machinery that must carry them out.

Decision-making perhaps comes easy only for those that do not have to decide. Of course, when one is in Malacañang, the perspectives and magnitudes are entirely different.

For the kind of decisions and initiatives we must take—initiatives of far-reaching import because they are institutional and reformist in character—we must be both purposive and prudent. And we need in many of these the energetic collaboration of Congress and other constitutional bodies as well as key non-Government organizations.

**No more false starts**

Our problems are no mere headaches that can be banished by swallowing a pill or two. They are rather deeply rooted in our society — in systems and structures that are no longer workable, in policies that haven't worked and will never work, in inequitable relationships that favor a few at the expense of the many, in projects between national and local political leaders from the same province perhaps that have stagnated from partisan intramurals. These all require not just the wish to be rid of them, but the will and the energy to root them out.

As President, I do not want to raise expectations where I cannot deliver. Nor do I want to launch initiatives that will wither on the vine, for lack of institutional preparedness or support from Congress when such is indispensable.

This country has had enough false starts and false dawns. This time, our course must be sure and true.

Now, after 37 days in office, I believe this Administration has already set that course clearly and comprehensively, and only those who are resolved not to listen could possibly misunderstand it. We have set our priorities in words and actions that everyone can understand. And there is no need for us to waste this timely occasion by reiterating them.

Rather, my dear friends and supporters of the MOPC, let us focus on key issues vital to achieving our national agenda, and some operational problems that have arisen during the past five weeks.

### **Congress and the President**

One key issue is the vital importance of the collaboration of the President and Congress in filling that agenda.

Given both the nature of our constitutional system and the composition of Congress today, we can hardly overemphasize the need for these two institutions of government to work in concert rather than in rivalry or at cross-purposes.

Congress and the President can berate each other and try to score popularity points at the expense of the other. But then the business of the nation will not move forward.

Thus, it has been my principal objective these past five weeks to mold a working relationship with Congress that would enable us to constantly consult and hopefully move toward consensus on what is to be done.

And beyond just reaching out to Congress, I have sought to consult also with the many broad sectors of society.

This is not a device to buy time. Or postpone decision. This is rather to recognize that actions that can result in real change hang upon the balance of Government consensus and public support.

On the other hand, there are a few who fear that all these efforts to rally congressional and public support bear the seeds of dictatorship. Obviously they've missed the point altogether.

These meetings, as everyone will note should they care to review them, have each been concerned with discussing "public business." And each time, I'd like to believe, we have moved that agenda forward. If not always through a meeting of minds, at least through understanding and respect of each other's positions on issues.

I am convinced that divided leadership over the past four decades had caused the Ship of State to list and falter. And today, we have reason to hope that we are bringing our act together— not at the expense of healthy differences of opinion, but toward greater capability to override impasse and reach decisions.

### **Liberty and public order**

I find a measure of success in the way we're moving in the area of security and public order.

The degree of public consensus on the issue is so high that we hardly debate any longer the thesis that to develop, our country must be at peace and be secure. And this is also why considerable public support has met our key initiatives in this area, among them:

—The creation of a Presidential Anti-Crime Commission to spearhead the effort to combat crime in our society;

—The grant of amnesty to those who have applied or will apply for amnesty under an existing Executive Order;

—The repeal of Republic Act 1700, otherwise known as the Anti-Subversion Law; and

—The creation of a National Unification Commission to pursue peace talks with all rebel groups for the purpose of developing a new amnesty package.

What perhaps invites anxiety is the misguided thinking that the peace process will advance simply because we have declared our commitment to peace. Or that Government can best promote it by lowering its guard or by desisting from any moves designed to preserve and enhance national security.

Yesterday, for example, there were some pretty hysterical comments that we're on the way to militarization, because we have not rushed to declare unconditional amnesty for everyone or because we have moved to strengthen the National Security Council and the intelligence support to it and to the Government.

These fears are entirely baseless and absurd.

To make peace a commitment of this Administration should not require us to surrender our vigilance over the nation's security and stability. We owe this to the majority of our people who are law-abiding and to our foreign friends who look for public safety and personal security as a condition for increased investments and tourism.

We can only advance this process if we match our reconciliation and unification efforts with careful concern for the safety of our forces in the field who guard the nation's integrity. The incident in Misamis Oriental last week where seven peace officers were killed and three remain missing while en route to a peace dialogue is a tragic reminder of how difficult is the course we are pursuing.

Neither should we allow the peace initiative to distort the larger perspective of improving and modernizing the real capabilities of our armed forces to meet new requirements posed by post-Cold War challenges.

This is the spirit in which the Administration's program to modernize the capabilities of our armed forces and redirect the intelligence community toward economic recovery and nation-building should be understood.

Peace and stability are not identical, but complementary, goals. Our objective is to attain both.

Besides peace and stability, we have started the process of initiating or adjusting policies and programs to get the economy moving from recovery to growth.

When we assumed office, the policy choices before us were fairly clear.

—We want either private enterprise to be the engine of economic development, or Government as the principal entrepreneur in the country.

—We either want foreign investments to help in the economic growth, or prefer to do it with our own resources, limited though they are.

—We either want trade with the world in the protectionist tradition, or want to expand our commerce with it.

—We either pay the price for development by raising the revenues necessary for growth, or stay with the policies that have stifled economic effort all around.

**Congress must collaborate**

This Administration has made its choices manifestly clear. We will pursue growth as the fundamental goal of our economic plan without sacrificing basic services for the needy among us. To the extent that we can do this by the exercise of executive leadership, we will do it. In fact we are already doing so in many, many places.

But there is no question that Congress must collaborate in the larger effort of recasting policy and program. This is the central message of the legislative agenda I have submitted to Congress, and I pray that our legislators will move in concert with us. I am happy to see Senator Bias Ople in the crowd. I hope he is here, not only as an old MOPC stalwart, but also as a supporter of Eddie Ramos.

But even as we move to restructure and redirect Government policies and programs, there is already now ample room for enterprise to move with vigor in the economy. The doors are open. So are the windows. New opportunities exist.

From my talks with both local businessmen and foreign business leaders, I am convinced that our optimism is matched by their confidence.

To those who search today for places in which to invest, I say there is no better place than the Philippines. And those who enter now while the foundations for economic resurgence are being put in place will naturally have the best chance of realizing the greatest returns on their investments.

### **Fighting poverty and underdevelopment**

Finally, I want to say a few words about this Administration's program to involve the whole country in the development effort, and to fight mass poverty at its roots.

The process and attainment of development and the eradication of poverty go together. I do not believe we can have one without doing the other.

There are those who say that resources are best spent only on those areas of the country that are already fairly modernized. I do not believe this. This has been the orthodox policy for decades, and the net result has only been a dual level economy and a society torn by the great inequalities and conflicts.

The collective experience of developing nations in several development decades proclaimed by the United Nations is now clear: Poor countries cannot develop without meeting the challenge of mass poverty. The grassroots are the key to change.

And we cannot aim for less.

Three weeks ago, I took the unprecedented step of establishing extension offices of the Presidency in the Visayas and Mindanao. By this I meant to emphasize my resolve to end the neglect of national administration of our far-flung regions, and to speed up the process of devolution and decentralization inaugurated by the Local Government Code of 1991.

Yesterday, I also signed an executive order creating the Presidential Commission to Fight Poverty. And I appointed former Governor Daniel Lacson as the chairman of the commission.

Let me emphasize here that we are not trying to fight our grave problems by the creations of commissions or committees. These are not token gestures of national administration—meant to “fatten the heart” or as we say in Filipino “*pataba sa puso*.” My Government fully intends to address problems squarely according to measurable targets and specific timetables with a sense of urgency.

### **The vital center of action**

It has been well observed in this country, as elsewhere, that in the end what is vital to success is not so much policy vision as the President himself. Men sharing the same policy views have sat in that office and produced vastly different results. I promised you good results in the end.

I think this is what the Manila Overseas Press Club meant to emphasize when it designated one night of every year as “the President’s Night.”

Ultimately, the gravest responsibility of all rests upon the President. He can exhort others. He can plead for the support of Congress and other bodies. He can cajole the participation of many. And he can petition or campaign for the support of the people.

Yet in the end, the nation will move forward, depending on the vigor, effectiveness and vision of the President’s activity in office, and the confidence he inspires in the majority of the citizenry.

This I fully recognize and accept. And on this note, I thank you for this opportunity and bid you *mabuhay!*

*Source:* **Presidential Museum and Library**

Ramos, F. V. (1993). *To win the future : people empowerment for national development*. [Manila] : Friends of Steady Eddie.

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**Address of President Ramos at the Awarding Ceremony of Ten Outstanding Students of Philippines**

**Address  
of  
His Excellency Fidel V. Ramos  
President of the Philippines  
At the Awarding Ceremony of Ten Outstanding Students of Philippines**

[Delivered at the Malacañang Palace, August 17, 1992]

**Youth and Government**

PRESIDENTS and governor-generals have come and gone through these doors—some staying only briefly, and others overstaying their welcome—but in the end the words of Ecclesiastes have been historically immutable: “One generation passes away and another generation comes. . . The sun also rises. . .”

We who are privileged to lead the nation today see in our young awardees that new sunrise. And the time will come when they and their generation will also take over. And all over the land, hope for the future is reviving among our 62 million countrymen.

**The crab mentality**

Hopes for renewal naturally come with a new government entering into office. But as we know only too well, they are not necessarily fulfilled. More often than not, when the novelty wears off, when the crab mentality takes over, hopes and dreams wither on the vine and not much is accomplished.

It is best that we acknowledge this at once, so we can better comprehend and act upon the challenges before us. And so we will fully appreciate how precious and fleeting is the opportunity we have now.

Our country has a sorry history of opportunities that appeared and were not exploited. Also, a heritage of divisiveness and lack of unity behind national goals that has squandered precious time, energy and resources. We cannot—we must not—allow this to happen again.

In a memorable essay, one of our foremost writers, the National Artist Nick Joaquín, once deplored that ours is “a heritage of smallness.” Society for us is a small sailboat, the *barangay*. Geography is a small locality: the neighborhood or the *barrio*. And commerce is the smallest degree of retail: the *tingi* and the *sari-sari* store.

We are, he concludes, a small nation, not so much in terms of territory as in terms of our achievements and our dreams. Yet, however penetrating this verdict, this is hardly the sum of what we are as a people and what we can hope to be as a nation.

**Lives touched with fire**

Think back a moment and recall. This nation came to birth from the toils and strivings of very young men and women. Men like Rizal, Del Pilar, Bonifacio and Aguinaldo who in their twenties kept their appointments with history at an age when our young people today are just coming out of college and starting their families.

Though young in years, our heroes had mighty visions of the future. Their lives were touched with fire, such that they faced the white man’s armies and steel and founded the first republic in Asia.

And many have been the other occasions — in World War II and at EDSA — when our people rose to heroism in peace and in war and commanded the imagination of the world.

If our country has been wracked by crisis, it is surely not from any fundamental failings of the individual Filipino or our culture, or because our heritage is small. Rather it is mainly because we have forgotten the mainstreams of our nationhood. We have lost our way through the failure of leaders and shortcomings of government.

If thus we are to rise again as a nation—to the progress that is within our talents to achieve—it will be by returning to the roots of idealism and patriotism that mark our history. We have to look at our country and ourselves afresh—in much the same way that this nation must have looked to our young heroes of long ago, who believed that progress was the inevitable lot of our race.

We have to look at our future in much the same way that a young man or woman looks at tomorrow as he or she comes out of school—with daring, hope and will.

This is the challenge which this Administration is resolved to meet — with your help. This I daresay is the challenge too which those of the new generations must strive to fill as they rise to their places in our society.

Our many misfortunes notwithstanding, we are an achieving and gifted people. We must never forget that. I see no more vivid evidence of this than the younger generations coming to adulthood among us—in their demonstration that education is power, their willingness to challenge old beliefs, their eagerness to experiment with new ways and new things, their daring to think big, and their refusal to be daunted.

### **People are the key**

It is of this stuff that we must build our future. People are the key. And in the measure that we empower millions of Filipinos—with education, health, self-reliance and opportunity—so will this nation rise to the greatness we can attain.

It is the good fortune of the new generations to come to adolescence and adulthood at a vastly different time when democracy once more reigns in our country. Though clearly many problems remain, the conditions are now such that we have a real chance to uproot them.

This is a time when we are establishing a government that now gives more importance to ordinary Filipinos; that shows the way to our people toward the future that they aspire to through people empowerment.

This is a time when the youth of our land can apply themselves with vigor to the task, not of quarreling with Government, but of working with it for a change.

The hour has come to bury the stereotypes of the past. The stereotype of the student who feels compelled to march against the government and the institutions of our society. And of government as an ineffectual machinery that can do nothing or achieve nothing.

I say to all our young people, we can do much, and we can do it together. In our cities and countryside, I invite you to take part in building the new Philippines that is within our capability to establish before the centennial of Philippine independence in 1998.

### **Winning the future**

In the past, we did not progress much, probably because we set our goals too low, or because we were retarded by partisan rivalries and political enmities.

Today, our goals must be moved higher; our vision must reach farther into the future; and our pace must be faster.



In my inaugural address, I committed to “win the future” for our people. Education is among the first steps to this end. My Administration will provide at least one complete public elementary school in every barangay. Thus, every child between the ages of 7 to 12 will have the opportunity to complete at least elementary schooling.

Recently, I authorized Secretary Armand V. Fabella to reprogram the budget of the DECS and the State colleges and universities so that more funds may be made available for the needed elementary schoolbuildings and the appointment of additional grade-school teachers. From the President’s Social Fund, I have also increased the share of the education sector from one-third to at least two-thirds, or roughly P20 million a month, to accelerate the construction of two-room schoolbuildings in the 6,000 barangays where such facilities do not exist. I guarantee that before the end of my term, universal and higher quality elementary education will be made available to every Filipino child in all our 42,000 barangays.

Secondary and tertiary education will also merit our urgent attention. Free secondary education will continue to be provided with the emphasis that our young people need to be exposed more and more to technical and scientific learning.

There will be increased access to tertiary education. To this end, I am glad that Secretary Fabella has liberalized the cut-off grade for the National Collegiate Entrance Examination (NCEE). Let the performance of our high school graduates in college determine their ability or inability to meet the requirements of a college degree.

Our awardees today and their teachers are now faced with the challenge to help make the future a brighter one for Filipinos, with determination, with courage, with enterprise.

There is no other way to win the future.

*Source: Presidential Museum and Library*

Ramos, F. V. (1993). *To win the future : people empowerment for national development*. [Manila] : Friends of Steady Eddie.

## **Speech of President Ramos at the Ramón Magsaysay Award Ceremonies**

### **Speech of His Excellency Fidel V. Ramos President of the Philippines At the Ramón Magsaysay Award Ceremonies**

[Delivered on August 31, 1992]

#### **Asia on the march**

I AM TRULY DELIGHTED to be here as part of the ceremonies of the awards for the Magsaysay Foundation. First of all I would like to inform you that as a young lieutenant serving the Armed Forces of the Philippines, I had the temerity to say no to the Secretary of National Defense Ramón Magsaysay. He offered me an assignment which I could hardly refuse and that was to be one of his aides in his office. My answer was very similar to what was said here this afternoon: “Sir, I prefer to be in the field—just as you do.”

#### **Faced with the same problems**

On behalf of the people and Government of the Philippines, I am here today to express our congratulations and gratitude to this year’s five recipients of the Ramón Magsaysay Awards.

As Asians, we feel a deep sense of gratitude to our distinguished awardees, for it is all of Asia that their life and work truly honor.

As Filipinos, we feel great pride that it is in the name of an illustrious countryman that these awards are given.

When he was President of our Republic, Ramón Magsaysay once said: “We cannot escape the fact that the destinies of nations are closely linked. . . . Our Asian brothers are beset by problems of the same nature and complexity as those that confront us. . . . It is my hope that we can exchange experiences and information . . . in subduing illiteracy, poverty, disease, underproductivity and other common evils which afflict our countries.”

It was in this spirit that these awards were founded a year after his death in March 1957—the idea of nurturing our sense of community and brotherhood as Asians, and in the hope of transforming our region into one in which freedom and progress would both flourish.

#### **A continent in transition**

How much of this vision has been accomplished in the 35 years since, no one can truly say. For if anything is true of our region today, it is the fact that Asia is in the midst of great transition and transformation. But this we already know.

In our time, this vast region of the world, which has cradled great religions and civilizations, is again on the march. Individually and together, our countries are coming into their own and taking charge of their own destinies.

Economies are growing, people are becoming more prosperous. Even here in the Philippines, schools are yielding new generations of educated citizens. Asia is coming abreast of the rest of the world in knowledge and technology.

In place of age-old wars and revolutions, an era of peaceful building and transformation has taken hold.

In place of the ideological strife that once cut our region into warring camps, Asia has been made almost whole again.

And it is not for nothing that today humanity speaks of Asia as the fastest growing region of the world.

To this story of Asia on the march, the Ramón Magsaysay Awards stand as a kind of witness and chronicler. For year after year, the process of change has been told in the lives of the 156 men they have honored.

The awards presented tonight testify to the advance of Asia in our time. But as our awardees will be the first to tell us, there is also another side to our changing region. And this is the reality that our dream of a new Asia is still in the making. The work goes on.

While some among our peoples have touched the wheels of progress, many more continue to live in great poverty and deprivation.

While our productive capacities have risen, often our advance has been thoughtlessly predatory, taking resources from the environment faster than nature can replenish them, and degrading the patrimony of future generations.

And the scourge of tension and strife, fueled by religious and radical differences, still threaten peace and stability in some parts of the region.

### **A question of values**

Times of change, let us never forget, are also times of questioning. How can we effectively manage our growing prosperity alongside its risks and costs? Can we produce more and share the fruits of progress more equitably? Can we restrain private greed in the interest of public good? Can we preserve the ancient beauty of our lands while extracting from them a reasonable bounty? And in all the changes that we unleash, can we preserve in the process that which has made our cultures unique and vibrant? Can we make democracy and freedom prevail for the common man as Magsaysay fought for?

These are the concerns uppermost among our governments and our peoples today. And I believe we can only fully answer them if we turn to the wise words of previous recipients of these awards — the filmmaker Akira Kurosawa, who said: “This is a question of values.”

The true measure of progress lies in the fulfillment of what we hold dear and cherish.

This sense of values constitutes the indispensable dimension that has moved our awardees in the grand adventure of building the new Asia. In their achievements is embedded the ageless lesson that our future is not only to be won by massive development programs and heroic political leadership. It is won even more surely by diligent attention to the little things — to the village and the neighborhood and their micro-projects — to each number on the accountant’s ledger; to each note of a song; to each tiny piece of scientific data — in sum, to the way individuals, families and communities live. For it is from such commonplace achievements that mighty mansions are built.

To honor our awardees today — these beacons of hope and light among us — is to believe that the new Asia that is coming to be will fully match Asia’s past glories and greatness.

To the awardees then, let me say on behalf of my countrymen: we in the Philippines salute you! And may others follow in your path!

*Source:* **Presidential Museum and Library**

Ramos, F. V. (1993). *To win the future : people empowerment for national development*. [Manila] : Friends of Steady Eddie.



**Speech of President Ramos at the National Workshop on “Implementing Philippine Agenda 21 for Sustainable Development: Response to the Earth Summit” Speech  
of  
His Excellency Fidel V. Ramos  
President of the Philippines  
At the National Workshop on “Implementing Philippine Agenda 21 for Sustainable Development: Response to the Earth Summit”**

[Released on August 31, 1992]

**Our environment agenda**

FIRST, allow me to commend the Department of Environment and Natural Resources for staging this two-day workshop to plot “Philippine Agenda 21.”

A gathering such as this reaffirms this Administration’s commitment to safeguard our environment, which is after all the foundation of all our economic pursuits. The protection of the Philippine environment had always been among the top five priority programs to be addressed intensively during the first 100 days of my Administration.

**Saving Mother Earth: A global concern**

The conduct of this national workshop also manifests the confluence of the efforts of Government, the business sector, international financing institutions, and the non-Government and people’s organizations in a more determined and more decisive move to formulate and implement a policy framework for sustainable development.

This is people power at work. This is people power at its best.

Mother Earth is crying out for our help. This is the urgent message that the recent Earth Summit at Rio de Janeiro in Brazil conveyed to all the peoples of the world. It is time to listen to her.

There is now a heightened resolve to shift to practices and norms that are earth-friendly, as institutions and individuals are made aware of the unfavorable effects of uncontrolled development on nature. We expect our combined endeavor to give greater hope for a better world for the coming century.

The Earth Summit was a reaffirmation by the nations of the world to consolidate efforts in saving our ailing planet.

To this cause, the Philippines has actively manifested its unison. The euphoria of the heavily attended Earth Summit may be over, but to us in the Philippines, its massive implications for priority concerns needing action underline the greater need for our national consensus and teamwork.

**Heeding the call of environmental consciousness**

The environment-development challenges that confront our country must be matched with our single-minded resolve for action. Today’s two-day workshop is the first step.

My response to the collective output of this workshop will be straightforward. I don’t want to lose time and find our people and our environment suffering even more from the residuals of our industrial activities or from the deterioration of our natural resources. These problems have worsened through the decades. The result is that more must be done to address these environmental challenges we are faced with today.

To ensure that the commitments made at Rio de Janeiro, and the implications of the Earth Summit to the Philippines are implemented, periodically monitored and coordinated at the global level, I have signed an executive order

creating a Philippine Council for Sustainable Development. This will be a multisectoral body, to be chaired by NEDA, with the DENR as the vice-chairman, and will be composed of other departments and representatives from the NGO community. The order also mandates the council to call upon all sectors of society to adopt Philippine Agenda 21, which is the product of this workshop, as the policy framework for sectoral program planning by the respective disciplinary groups concerned.

I am directing NEDA also to integrate this Philippine Agenda 21 into the updated Philippine Medium-term Development Plan for 1993-98.

With the devolution of powers to Local Government units by virtue of the Local Government Code, I further direct the integration of Philippine Agenda 21 into the plans and programs of Local Government units at all levels.

I urge the translation of sustainable development goals and objectives not only within the DENR but also in all Government and private instrumentalities, into specific institutional action and budget plans, programs and projects. The Philippine strategy for sustainable development, which had been adopted by the Cabinet as early as 1989, should find further expansion and concretization in the process of integrating Philippine Agenda 21 into the various levels of decision-making. While our previous efforts had been largely characterized by advocacy, putting environmentally sound and sustainable policies into the mainstream of national affairs, this year 1992 up to the start of the twenty-first century should witness our determined collective drive to translate such advocacy to more practical and tangible actions.

### **Safeguarding the ecological balance**

To our local and international donors, your financing support will go a long, long way. For heavily indebted as we are, we must invest in the programs needed to rationalize our environment and development dilemma—that is, to alleviate poverty and attain sustainable development while safeguarding the ecological balance.

I hereby appeal to the Senate for its ready support in the ratification of environmental conventions to which the Philippines is a signatory, such as the base conventions on the control of transboundary movements of hazardous waste and its disposal, and the London amendments to the Montreal protocol for substances that deplete the ozone layer.

At Rio the Philippines was a signatory to the framework convention on climate change and the convention of biodiversity. These will also require ratification from the Senate. We will continue to recognize and harness to the fullest the capabilities inherent in major groups like our women, children and youth, our indigenous brothers and sisters, non-Government organizations, local authorities, business and industry, farmers and fishermen in the complicated and difficult struggle to address the forces that impede sustainable development for the Philippines.

I also urge upon all of you the continuous professionalization of the career environmental service in the Government and private sectors. In the face of grinding poverty and dwindling resource base for our economy, let us be relentless in fighting corruption and inaction, which are among the worst crimes against our people.

### **Surmountable task**

The task of saving the earth from further plunder and destruction is difficult—but it need not be insurmountable.

And while the challenges that we face are mainly not of our choice, no nation has ever been so ready to seize the burden of protecting and preserving the earth as the Philippines is. We have shown this during the recent Earth Summit in Rio de Janeiro, when the Earth Savers Movement of Fr. James Reuter made such an impact on the convention.

The magnitude of the actions that we should take and keep pursuing should be no less than the size of the problems that face us, whether among Filipinos or among nations, because in the final analysis our most basic link is that we all inhabit this earth. We breathe the same air. We all cherish our children's future. And we are all mortals.

Together let us, as one people, build our future, one that is based on the foundation that sustains life itself—a world free from environmental death.

*Source:* **Presidential Museum and Library**

**NATIONAL GOVERNMENT PORTAL – EDITED AT THE OFFICE OF THE PRESIDENT OF THE PHILIPPINES UNDER COMMONWEALTH ACT NO. 638**

**Speech of President Ramos at the Signing of the Bill repealing the Anti-Subversion Law**

**Speech  
of  
His Excellency Fidel V. Ramos  
President of the Philippines  
At the Signing of the Bill repealing the Anti-Subversion Law**

[Released on September 2, 1992]

**A peace with honor**

TODAY’S repeal of the law outlawing the Communist Party and penalizing membership in it moves forward our efforts to attain enduring peace.

The historic significance of this new Republic Act is underlined by the fact that it is the very first law that the ninth Congress has passed and the first one which this President has approved.

Republic Act 1700 was passed 35 years ago—when Communism seemed the wave of the future—by a Philippine State fearful of being submerged in its tide.

Today we repeal it—confident of our national stability and confirmed in the resilience of our democracy. By assuring Communist insurgents of political space, we also challenge them to compete under our constitutional system and free market of ideas—which are guaranteed by the rule of law.

**An end to the killing**

We are reaching out to Communist rebels without any illusions that the rest of the way will be easy.

Even so, we are willing to sit and dialogue with them in the hope that we can put an end to the killing and the suffering; and bring back to civil society the young men and women—the cadres of the movement—who are also its sacrificial victims.

It is to these young people that my heart goes out—as President, as commander in chief, as a veteran, as a parent.

To these young Filipinos I say: You have fought long enough. You have proved your courage. Now, take the peace we offer: a peace with honor and justice, a peace that will enable you to take hold of your life again and rejoin the mainstream of Philippine society in the rebuilding of the nation.

**The root causes of rebellion**

My Government is addressing the root causes of rebellion—and not just its symptoms. We are determined to reduce poverty, remedy injustice, remove ignorance and protect the law-abiding.

I see positive and meaningful roles for all concerned Filipinos in the good society we are all trying to build—for the CPP-NPA-NDF the kind of role that your former comrade Bernabe Buscayno, “Commander Dante,” has found for himself.



I thank most sincerely the Senate and House of Representatives for their responsive and expeditious action on this priority Administration bill. Indeed, our unified efforts to repeal R.A. 1700 as part of the Government's comprehensive peace package augurs well for our common goal to establish the conditions necessary to make the Philippines a better place to live in and enable it to regain a respected and dignified place in the community of nations.

*Source:* **Presidential Museum and Library**

Ramos, F. V. (1993). *To win the future : people empowerment for national development*. [Manila] : Friends of Steady Eddie.

**NATIONAL GOVERNMENT PORTAL – EDITED AT THE OFFICE OF THE PRESIDENT OF THE  
PHILIPPINES UNDER COMMONWEALTH ACT NO. 638**

**Speech of President Ramos at the Festival Thanksgiving**

**Speech  
of  
His Excellency Fidel V. Ramos  
President of the Philippines  
At the Festival Thanksgiving**

[Delivered at the PICC Plenary Hall, September 13, 1992]

**Who else, if not we?**

LET ME GREET, first of all, Bishop Jorge Castro for bringing all of us together here this afternoon, as well as Bishop Almario and all the other leaders of the church of all faiths. And I also would like to greet our dear countrymen, *ating minamahal na kababayan at lahat ng mga iba pang kasama at mga kaibigan na nandidito ngayon*. I also would like to greet our Muslim brothers, I see one of them here: Peace be with you.

This is indeed an unusual gathering of Filipinos and one that to me is most relevant and responsive to the needs of the times.

**After the polls**

You know, when I was a candidate running for the highest office in the land, I realized that elections were indeed very divisive as has been the tradition in the Philippines. But I found out, after having been proclaimed as the winner, that elections can be very unifying. Because after people found out that I had won, everybody told me that they had voted for Eddie Ramos.

And so my dear friends, my dear countrymen, I am truly and deeply grateful for your prayers on my behalf and on behalf of the rest of the nation who are not here, in making me the beneficiary of this Christian festival of thanksgiving. You do me honor and you do honor to our people and this is something that I can never repay.

And I know your songs of praise and joy will reach heaven—because, as the proverb assures us, “the prayer of the upright pleases the Lord.”

In our time of troubles, I would never have dared to take up the burden of national leadership had I not been confident of God’s special feeling for us Filipinos who have always regarded ourselves as “the people of his pasture, and the flock under his care.”

Guide me, then, with your prayers—that I may walk in a straight path, in the fear of the Lord, to righteousness. And in so doing we bring the whole nation forward to that vision of a better life for all Filipinos.

**Toward a humane society**

Over the past 75 days that I have been your President, I have strived—following St. Paul’s admonition to be God’s fellow worker—to lay the foundations of a truly humane Philippine society.

And in this work, I have begun at the beginning—with obligatory tasks like the restoration of political stability and peace and order, which are the requisites of economic growth and social well-being.

My program of government is founded, as already articulated to us by Brother Manny Pelaez, not just on practical bits and pieces of reform—but on Christian ideals and beliefs that you and I share about the purposes and functions of human society.

What are these basic political ideals and beliefs?

Above all else, we see the world as centered on God. We share the view that the world and all in it are the creations of a Supreme Being. And we regard the State as having an ethical purpose, which is the welfare of the entire community.

We believe in the importance of ordinary people; and of the family as a representation in miniature of natural society—having its own self-contained goals and purposes.

And we regard the human being not as individualistic but as communitarian. And we see him not as singlemindedly bent on the pursuit of his self-interest but as essentially ineffective and incomplete unless he is a part of the social institution greater than himself.

In the same manner, we in our society regard the right to property not as absolute—with the owner being free to use or dispose of his property as he pleases—but a social stewardship having an inherent dimension of duty and responsibility.

We believe that although wealth should be privately owned, its owner should make public use of it—to benefit the community. We also insist that the owner of property abide by his duty of charity—a duty imposed on him by his possessions—of helping, without condescension, the less-fortunate members of his community.

We accept that people with *more* are obliged to help people with *less*—in the name of compassion and in recognition of a shared humanity. Or as we say “*ang pakikipagkapwatao.*”

### **Social collaboration, not class struggle**

We reject the Marxist dogma of an implacable social conflict between “capitalists” and “proletariat” as being unavoidable in the human community.

We insist not on an artificial kind of social equality imposed by the State, but on equity or fairness among competitive individuals and groups.

And we believe not in “class struggle” but in social collaboration and mutual respect.

We also recognize that people who belong to different philosophical or religious creeds and lineages can cooperate in the common task of securing the welfare of our earthly community.

This is the principle that underlies our political common cause in our LAKAS-NUCD, or National Union of Christian Democrats, with its brother party the United Muslim Democrats, the very first political coalition in this country and rejoined as political ideologues, motivators and activists, our Christian and Muslim brothers together.

Our advocacy of religious freedom and our insistence on the autonomy of social groupings in the larger community are part of the philosophical foundations of my Administration.

And we regard the presence of the intermediate centers of power—of churches, of Local Governments, of peoples’ organizations and all other organic social groupings, as the State’s first line of defense against any encroachment upon its liberty.

## Deploying Presidential powers

In our country, the President has unique powers to move the nation forward, depending on his vigor and his vision. These Presidential powers to exhort, to motivate, to inspire and to lead, I am determined to deploy to the limit—to carry our country across this threshold of crisis toward the good society we all long for.

But I need your help—and the help of every citizen who feels—as I do—that it is time we got this country moving.

The Philippine State has historically required extraordinarily little of its citizens. And, as individuals, we Filipinos acknowledge few obligations to the national community. This mutual indifference between State and citizen cannot go on. We must acknowledge that there is a public sphere to human life. We must recognize that as citizens we have only one fate to share.

All of us who are determined to live out our lives in this country must now do all we can to make life in it a little more hopeful—for ourselves and for our children and grandchildren. The alternative is for us to condemn our young people to migration; and ourselves to cultural despair. “

We need to foment from among us a civic revolution—an *explosion* of social energy that will enable us to catch up with our vigorous neighbors and become a Newly Industrializing Economy by the year 2000.

Such a revolution must begin in our hearts and minds as a people. It must begin as a revolution in social attitudes, in civic commitment.

We must—each of us—respond to our civic conscience. We must do all we can to ensure that the national community is *open* to the least of our people. We must see to it that we do *not* harden our hearts *nor* shut our hands, for as long as there is among us someone in need.

We have no time to spare. And we as a people cannot continue to play at intrigue, each one pursuing his or her self-interest, although doing so may be self-defeating. This antisocial behavior—so like the quarreling of crabs caught in a bamboo trap—cannot go on.

We must accept that national society is *much* more, much, much more —than just an aggregation of individuals or families or clans.

## ***Kung hindi tayo, sino pa?***

And we must realize that every human society is a seamless community—a partnership of the connected generations of changing persons that include *not only* those who are living *but those* who are dead *and* those yet to be born.

And we cannot continue—as people have done in the past—to pass the buck to some future generation. There is no one here but us at this time.

And so with many things to do, and so little time to do it, who, if not we, shall set things right? As the militant students asked in the time of the dictator during what they call the First-Quarter Storm: *Kung hindi tayo, sino pa ?*

As Christians, we can have only one answer. We can answer only in the way St. Paul teaches, in his letter to the Galatians and he said: “Christ has set us free—not to bite and devour each other—not to indulge our sinful natures—but to carry each other’s burdens and to serve one another in love.”

Only yesterday we were in Zamboanga City to conduct our periodic visits to the regional capitals of the Philippines, Zamboanga being the capital of Region 9 in southwestern Mindanao, which is the most backward region in the Philippines in social development as well as in the peace and order problems that the people in that region must confront.

### **Covenant of unity**

And one of the pestering conflicts that threatened to flare up once more was the rivalry between fundamentalist Muslim groups although there were very few of them and some of the Christian community who were determined to resist. And so I felt it necessary to put the leaders of the Muslim and the Christian community together in that very important part of the Philippines. To their credit, they willingly got together and before the day was over they forged a covenant of unity for the good of our people in that region.

This was done by a handful, not more than 12 of us, and the covenant was hammered out in the small office of a military commander, which was our last stop before I boarded my plane. But that event in that far-flung community had very far-reaching and important implications.

This gathering this afternoon reinforces that feeling of solidarity. And it is in this spirit that I thank all of you, especially those who convened this assembly, for surrounding me with your prayers and for praying for the Filipino nation, because as the young activists of 1970 said: "*Kung hindi tayo, sino pa?*"

*Source:* **Presidential Museum and Library**

Ramos, F. V. (1993). *To win the future : people empowerment for national development*. [Manila] : Friends of Steady Eddie.

**Speech  
of  
His Excellency Fidel V. Ramos  
President of the Philippines  
At the Second National Symposium on the Local Government Code**

[Released on September 14, 1992]

**The role of Local Governments**

At the time of its promulgation and on many occasions since, many have praised the law as a breakthrough in government administration in our country.

## Answered prayers

From as far back as I can remember, since I became a national official, there has never been a day when I did not hear many a leader orate about the need to decentralize government in our country. Now that that prayer has at last been answered, there is now never a day when I do not hear from some officials about their fear and trembling over the law.

This is the second time this year that we are holding this symposium on the Code. The first time was last February under the administration of President Aquino, when the devolution process was just beginning. Today, we hold this symposium with my Administration in place. Today the process must now move with direction and dispatch.

## Holding the islands together

Our country is an archipelago of over 7,000 islands, so it is itself already remarkable that through the centuries our islands have remained together to form the territory of the nation we are today. To hold them together, it was not enough that we appeared on the map as a natural unity of islands and seas. It required several wars to keep intact the

integrity of our archipelago. And our colonizers—Spain and then America—saw as fundamental to cohesion a centralized system of government, with Manila as the center of administration.

When self-government passed into our hands, our past leaders recognized as well the indispensable need to keep that system of administration intact, knowing that a new, archipelagic nation could fall prey to separatism and regional ambitions. To the centralized system of administration therefore, it is correct to pay tribute for our coherence as a nation.

But it is also manifestly *true* that this centralized system has exacted a heavy price from our local communities, particularly those far removed from our national capital. We are a nation today of many communities at varying stages of development. And we are now a nation of 62 million people divided into rich and poor, rural and urban, educated and uneducated.

While some have gone far in entering the modern world, others have remained imprisoned in the past. While some among our countrymen have known the good life, the great majority of others have continued to live and work in poverty.

The issue of fairness knocks at the heart of this uneven development of our country. But more than fairness, it also underlines the crux of our national decline and failure. We have not developed as fast as was prophesied early after World War II, because we have neglected to release the talents and energies of all the communities that constitute the nation.

To this problem of decline and underdevelopment, decentralization is part of the answer. It is by no means the whole answer. But it is certainly integral to the national transformation we seek.

### **Implementing the Code**

While many of you and other sectors of our society have fears and reservations about the implementation of the Local Government Code, I submit that these feelings are more imagined than real. They arise more from the fear of having to do something in a new untested way, rather than in the old familiar way.

As with all journeys that we undertake, most are naturally disposed to take the old, beaten path—no matter if it takes longer or forever to reach our destination. Along that route, we already know the dangers and pitfalls, and we imagine we know how to cope with them.

Striking out on a new path is something else. Along this route are many unknown dangers, and we cannot really know how to cope with them until we face them.

There is much to be said about tradition, but only if it really works. In contrast, there is everything to be said about innovation and change, because nearly all of the advances made in human history have been precisely the result of following new routes and adopting new techniques.

### **The possibilities of innovation**

Think for a moment about this. Where would the world be had explorers like Ferdinand Magellan not taken a different route to the East and not circumnavigated the world? Where would humanity be had science and technology not opened our minds to the new possibilities of doing things?

It is much the way with the science and art of government. Societies cannot progress unless governments ceaselessly evolve and innovate in their systems of administration. The old ways must give way to the new.

This, I say, is what decentralization and devolution mean for government here in our country.

To be sure, I do not underestimate the enormous problems and labors in decentralizing Government administration and in devolving responsibilities from national to local level. The problems are financial, technical and administrative. Besides resource constraints, there are also problems of skills.

You ask: How ready are our Local Governments for so colossal a change in setup? I will answer: We will never be ready unless we try. And we will never reap the fruits of local autonomy unless we apply ourselves to the challenge.

In saying this, I do not underestimate by any means the financial, administrative and technical constraints faced by you who man the ramparts of Local Government in our country. The national oversight committee is fully aware of all of these.

What I mean to emphasize is that the process of change can be hurdled successfully and with minimum loss of time, as long as we do not delude ourselves that the changes will come in an instant, let alone painlessly. Careful adjustments must be made. Changes must be patiently nurtured, not forced down the throat the way dictatorial programs are usually applied.

In short, we must carefully program the whole process. We should break it down into stages and measurable targets. This must be done both at national and local levels. And we must recognize that our Local Governments are in different stages of readiness for this reform program. Some are ready, others need more time.

These are the concerns that this assembly must continually address. These are the areas where my Presidency, through the Department of Interior and Local Government, will focus the greatest attention.

### **A pragmatic and opportunistic approach**

In this process of adjustment and change, I would emphasize two key points to guide us.

One is that our approach to this process must be *pragmatic*. We must move beyond the rhetoric to the practical aspects of devolution. Precisely because this major reform cannot be implemented overnight, our activities and instruments must always be guided by what is workable and feasible.

To cite one area of attention, let us not imagine that because a part of taxing power will now devolve to Local Governments, they can thereby become self-reliant communities overnight. This is just not so. We have to measure our progress every step of the way.

I assure you that my Government will not leave our Local Governments out on a limb on this matter of finances. We will spearhead the change in a manner that will enable you to cope with the challenge effectively.

Another matter for priority attention is the need for instruction and training in the devolution process. This cannot just be a case of Congress decreeing the change, and of Local Governments accepting the responsibility. Indeed, the Code stresses the need for motivation and education. Local Governments must be helped in learning the tools for handling their larger responsibilities.

### **No washing of hands**

I assure you that we in the National Government will stand with you department by department, activity by activity, in implementing this reform program. Do not fear then that you will wake up tomorrow faced with the challenge of providing basic services while we in the National Government wash our hands of them.

Equally, I want to stress is the need for our approach to be *opportunistic*. The word has an unpleasant connotation for most of us. But it has also a progressive meaning, and that is the idea of taking advantage of opportunity to enhance good government and public welfare when it presents itself. Advances made by men and institutions arise precisely in this way.



I believe that as our Local Governments start to look at their jurisdictions from this new framework of increased powers and responsibilities, you will all begin to see enormous opportunities and possibilities. You will begin to see your resources—natural and human—in a way that you probably never did before. You will begin to realize what you can do in order to transform your communities into more attractive havens for investment and economic effort.

Start with your garbage, the cleanliness of your streets and the greening of your environment. Start with your peace and order condition. Start with a clear program of your local administration. Those unwilling to compete to achieve efficiency and credibility inevitably are left behind.

By this, I do not suggest that the National Government will throw you all into the market to fend for yourselves. Or that we will convert our economy into a dog-eat-dog affair. No.

Rather, the Local Government Code envisions a regime in which our local communities will increasingly become more autonomous and self-reliant, while the National Government guides the entire process of national modernization and makes it more equitable. Where communities need assistance, we must and *will* assist. Where communities require help to maximize availment of their opportunities, we must and *will* provide assistance. Where we must build the infrastructure for development, we *will* build them.

But at bottom line, you must all face the fact that your communities will progress only in accordance with the intensity and effectiveness of your own labors and achievements. You must *pull* yourselves up by your own talents and exertions.

### **The need for joint action**

It is in this light that leadership and community involvement become so important in attaining the noble objectives of the Local Government Code. Without strong political leadership, the high goals will only wither away. Without strong community support—from NGOs, from people's organizations, from business, from every sector—no local community can hope to flourish.

Our national deliverance will come from the sum of what we all do separately and together in our local communities. With empowerment of our people and our Local Governments, each can contribute more to national life. With greater coordination of all these activities happening in our local communities, the whole country can then rise as one.

This is the essence of my vision and my program for our country. That in empowering individuals and communities, and in abandoning the trickle-down and centralized policies of the past, we can do much more for our country and for each other.

The overriding principle is that *only by joint action*—at national, local and people's levels—can we ever hope to achieve our national goals and aspirations. The success of national administration rests on dynamic interaction with local leaders and the people.

While many of our problems are national in scope, they exist in neighborhoods and local communities. Hence, the solutions must be tailored to local needs. While our problems require a broad national strategy and the political will to attack them, our response must be infused by local perspectives and expertise.

### **A symbiotic partnership**

No program, no matter how adequately funded, can hope to uproot problems if it is anchored solely in Manila. It must find for its pillars the life and experience of our local communities. Our task then as leaders and citizens alike is to construct this *symbiotic partnership*—between National and Local Governments, between the metropolitan capital and the countryside, between the Presidency and the people.

To win the future for our country, we must win it first in every community, every province and every island in our archipelago.

This is the alpha and omega of progress. We are all the building blocks, and heaven help this nation if we do not measure up to the challenge and the opportunity before us.

*Source:* **Presidential Museum and Library**

Ramos, F. V. (1993). *To win the future : people empowerment for national development*. [Manila] : Friends of Steady Eddie.

**Address of President Ramos to the Philippine Bar Association Address  
of  
His Excellency Fidel V. Ramos  
President of the Philippines  
To the Philippine Bar Association**

[Delivered at the Rigodon Ballroom, Manila Peninsula, September 18, 1992]

**Justice: Do not delay**

FORGIVE me if I make myself comfortable: I feel I am among friends. So I will dispense with the usual rhetoric and get down to brass tacks.

I know you prefer an economy of words to an economy of ideas. And I am anxious to speak my mind to you.

After all, one doesn't often get a chance to speak to a whole group of attorneys—without fear of being interrupted.

Last July at the Philippine Judges Association Conference, I may have nagged the judiciary about the slow administration of justice. I am sure the Chief Justice is worried about a repeat performance tonight.

But I cannot help it. Delayed justice is one of my greatest anxieties. I am anxious to find ways of speeding up the judicial process, without sacrificing the quality of justice itself.

**Leading by example**

My approach is two-pronged: First, the executive department must lead by example; and second, I must personally describe what I believe you must emphasize as lawyers and appeal that you be part of it.

You see, my concept of government depends less on the principle of "Follow the Leader" than on the principle of "Do it Yourself."

I have long learned that in the executive department there also exists a system of adjudication. Adjudication exists in administrative bodies performing what you call "quasi-judicial functions."

To laymen, hearing officers and administrative tribunals are practically courts and judges as well. I have directed that the executive department streamline its own procedures and unclog its own dockets in line with the efforts of the judicial department.

I have three initial things in mind.

*One:* I am studying the issuance of a directive instructing all administrative and quasi-judicial bodies to decide all matters pending before them within 30 days from their submission for resolution.

**No certification, no salary**

This directive will also contain guidelines for hearing officers or administrative tribunals on shortening the period for receiving evidence. They will be expected to control and expedite hearings. (Actually, this is already contained in the Administrative Code of 1987 in Book VII, Chapter 3, Section 14; but nobody seems to have read this provision.)

*Two:* To give teeth to this directive, I plan to withhold the salaries of such officers who fail to comply with this 30-day deadline. We shall adopt the model of the Department of Justice, which requires fiscals to certify that all matters referred to their desks must be disposed of within 60 days. No certification, no salary.

I understand that the same thing goes for our judges. It would be a wise idea to expand a similar policy to all other administrative agencies.

This will—one hopes—put an end to the practice of some hearing officers or administrative bodies sitting on cases for months, even years, long after the cases have been submitted for resolution.

*Three:* I propose to institutionalize the use of depositions and maximize the use of affidavits in administrative proceedings to reduce the number of hearings and avoid postponements. These will cut down actual trial time.

In short, whenever the executive department is called on to dispense justice, I want it done with dispatch. That is my first approach.

My second approach is an appeal. I have already spoken to some members of the judiciary about the ills that plague the judicial system. I have already discussed with the Chief Justice what I intend to do to help the judiciary ease problems of delays.

### **Lawyers delay the dispensation of justice**

I have pledged to the judiciary my continuing support and commitment to the improvement of the administration of justice. I am determined to see that our people become satisfied with the justice system. This is the only way they can appreciate the meaning of the words “the rule of law.”

But that, as you know, is only half the picture. The other half consists of you—the practitioners of law. There is nothing the bench can do if it does not have the wholehearted support of the bar.

The fact is that lawyers themselves often cause delays in the administration of justice. Let me cite a few figures from Justice Maximo Maceren:

1. Postponements cause 24 percent to 63 percent of the delay in the trial period of criminal cases and from 15 percent to 84 percent of the delay in the trial period for civil cases.

2. Postponements caused by lawyers topped the list of causes for delays.

Lawyers account for 56 percent of postponements in criminal cases and 72 percent in civil cases.

3. Among the factors subsumed under lawyer-caused delays we find:

a. Absences of witnesses accounted for 29 percent of delays in civil cases and 24 percent in criminal cases;

b. Procedural defects accounted for 10 percent in civil cases and 19 percent in criminal cases; and

c. Absences of lawyers accounted for a high 41 percent in civil cases and 40 percent in criminal cases.

The last figures do not include postponements by agreement of the parties as lawyer-caused delays. If it did, the percentages would be much higher. But I am sure you get my drift.

This, then, is my foremost appeal to you and your colleagues. To those of you in the legal profession, this is my message (In fact, this message should be inscribed above every courtroom): “*Justice is a Government project: Do not delay.*”

I am not about to lecture you on how you should police your own ranks and conduct your own business.

Right here in this room sit the finest legal minds in our country. I will not insult you by dictating how best the legal profession shall address itself to the task.

### **Mediators, not advocates**

Now, I challenge you to rise to it. And I know many of you here already have. My second challenge is this: I ask that you emphasize your roles as mediators rather than advocates. I ask you to use your skills to iron out misunderstandings, reduce disputes and enhance solidarity.

Just as I have reached out to all political opponents and marginalized sectors of society, I ask you to reach out to our troubled citizens. Help coax our countrymen to come to an agreement rather than battle it out in court.

Within your own individual spheres, act as judges and mete out sound advice to your quarreling neighbors. This way, fewer cases will ever see the light of day in a courtroom.

This way, our judges will have more time to devote to the truly difficult cases.

My final appeal is this: facilitate the relationship between Government and the ordinary citizen. I had pledged to the people their empowerment. But this means nothing if Government is remote, incomprehensible and confusing.

Lawyers are the natural professional link between the various arms of Government and the people. I ask that you help us in our efforts to be responsive to the needs of the people. In the course of your work, make representations on behalf of our citizens to the Government agencies. Help simplify and facilitate procedure. Make the bureaucracy intelligible. These are services often taken for granted, but which I know are vital.

I challenge the Philippine Bar as a body to devise ways to make the law and the entire structure of Government accessible to the people. I call on your ingenuity and creativity to give the common man “more in law.”

### **Seeing the dispossessed**

I have heard that Wall Street law firms have pooled their resources to set up a law firm that specializes solely in serving the poor and the dispossessed. That is the kind of private sector initiative that I hope to elicit from you.

As your President, my appeals to you are simple and well within your capabilities to achieve. There are only three:

1. Do not delay.
2. Mediate more, advocate less.
3. Be Government’s liaison with the people.

We stand together tonight, inspired by the common desire to do good for country and people. Let our basis for action be the consensus that unity, solidarity and teamwork must prevail.

*Source:* **Presidential Museum and Library**

Ramos, F. V. (1993). *To win the future : people empowerment for national development*. [Manila] : Friends of Steady Eddie.

## Speech of President Ramos at the Twentieth Anniversary of the 365 Club

**Speech  
of  
His Excellency Fidel V. Ramos  
President of the Philippines  
At the Twentieth Anniversary of the 365 Club**

[Released on September 22, 1992]

**Tribute**                      **to**                      **a**                      **coffee-shop**  
**parliament**

THIS coffee-shop parliament — where officials are roasted together with the beans, and every day is open season on politicians — is a unique club. And it became well-known as a sanctuary for free opinion under the martial-law regime.

But the institution of the political club itself has a long and respectable history. It dates back at least to the Greek agora—which, as you know, was both a marketplace and the site of the popular assembly that governed the Athenian democracy.

The French Revolution was fomented by political clubs like the radical Jacobins, which took their name from an old Dominican convent where they met, next to the church of St. Jacques in Paris.

In our country, the best known predecessor of Club 365 was the Escolta Walking Corporation—which convened at various times in various cafes on the Escolta.

## The spark of irreverence

Under martial law, Club 365 kept alive the spark of irreverence amid a deadening regime of conformity. It thumbed its collective nose at the pompous and the powerful. Until in many of us in the Armed Forces and the Defense Department at that time, the conviction grew that enough was enough—a conviction for which we staked our lives in the initial mutiny that, by God’s grace, became transformed into our People Power Revolution of February 1986.

The patron saint of this Club, *Ka Doroy Valencia*—reminiscing about the Escolta Walking Corporation—recalled that Presidents used to send spies to listen to what the coffee-drinkers were saying. That—you may be sure—will never happen under this Presidency.

I will not bother to send Joe Almonte or Raffy Alunan to check out rumor. But I myself will come to Club 365 whenever I need to keep in touch. And I also promise to pick up my share of the bill.

I will not bore you with protestations of my devotion to freedom and constitutionality. I will say only that—speaking objectively—the time for authoritarianism has passed in our country and in the world.

## No substitute for freedom

Any would-be strongman would be foolish to try pushing the Filipino people around ever again. We have seen it take place over and over again in various parts of the world in recent times: Once a critical mass of popular opinion has formed against authoritarianism, tyranny becomes impossible. In the end, there is never any substitute for freedom.

Since 1986 we have been trying to undo the ill-effects of authoritarian rule. My distinguished predecessor, Cory Aquino, restored our civil liberties—and then defended them tenaciously against repeated assaults from putschists and insurgents.

My work now — as I see it — is to broaden our democracy by using it to enable the least of our people to take control of their lives and to uplift the poorest among our countrymen.

Over the past 85 days, I have concerned myself primarily with setting the course of my Administration, laying the basis for effective government and providing active leadership in addressing national concerns.

In this, I have begun at the beginning—with obligatory tasks like restoring political stability, which deteriorated disastrously under authoritarian rule.

We have also begun freeing the economy—to dismantle crony capitalism; and to take the initial steps to ensure that economic growth also benefits the majority among us who are poor.

### **Ground for optimism**

The reaction to our initial initiatives of the groups for whom they are meant gives us ground for optimism—an optimism that the numbers and quality of incoming foreign investors have begun to reflect.

The Anti-Crime Commission headed by the Vice-President—having landed its first middle-sized fish—is redoubling its efforts to bring up some really big ones.

Our offer of an amnesty and peace package has recovered for Government the moral high ground the strongman regime lost in its struggle against East Asia's last radical insurgency and secession. Let no one mistake my determination to achieve lasting peace and a just and lawful society for our people. Let no one doubt my resolve to deal with the root causes of rebellion in our country.

In the economy, the basic reform is to correct structural defects which date back to the colonial period—defects aggravated by the dictatorship, patronage politics and crony capitalism.

Among East Asia's tiger-economies, manufacturing has typically become the leading sector—generating the largest proportion of jobs and producing the biggest share of GDP. In our country, manufacturing still employs only one in ten Filipino workers—proportionately fewer, in fact, than it did in the 1960s.

The great bulk of our jobseekers must still find what unfulfilling work they can in our backward agriculture or in marginal city occupations like washing cars or vending on

sidewalks.

Our factories—which are typically capital-intensive, fatten unhealthily on monopoly profits in the highly protected home market, but are too inefficient to compete in the outside world.

### **Specialize for export**

And this inefficiency is built into the system. Because of mass poverty, our effective home market is so small—despite our large population—that there is hardly any industry which reaches a sufficient scale.

The obvious solution is to specialize for export—and not just in industries like garments or semiconductors, which depend so heavily on imported inputs.



If we want to develop economic muscle, we must specialize in agricultural and industrial commodities in which both our resources and our workpeople have comparative advantage.

Opening the economy to global competition will obviously be difficult in the short term. But—as you and I know—in this world there is no free lunch: no gain without any pain.

Setting a competitive exchange rate may risk some undesired temporary effects. Inefficient industries could be driven to the wall. But those that survive should then be lean, mean and efficient—and no longer the fat, self-satisfied, retarded, middle-aged “infants” that they are now.

What is more, we have no room for halfway measures. Our economic reform package must permanently shift the weight of Government incentives from import-substitution to exporting.

Unless we change its basic structure, our economy will never attain self-sustaining growth.

And unless we as a nation can stand on our own, we won’t even qualify for the race to development that our neighbors in ASEAN are already running.

Structural change, then, is the greatest challenge we face. That challenge I shall not avoid.

In our country the President has unique powers to move the nation forward, depending on his vigor and his vision. These Presidential powers to exhort, to motivate, to cajole, to fast-track, to discipline, I am determined to use—to carry our country across this threshold of pain toward a new economic future.

But I need your help—and the help of every citizen who feels—as we all do—that it is time this country got moving.

The Philippine State has historically required extraordinarily little of its citizens. And, as individuals, we Filipinos acknowledge few obligations to the national community.

But this mutual indifference between State and citizen cannot go on.

### **Response to civic conscience**

We must — each of us — respond to our civic conscience. Civic responsibility has always been the price of freedom.

Six years ago, we won back our democracy—after enduring one-man rule for more than 13 years. Now we must live up to it.

Democracy always asks more of those who would follow it than other forms of government.

Under martial law, you and I may have no option except to follow. But in a democracy, people must choose to place the national interest above their own. They must abide voluntarily by accepted rules of conduct. They must—on their own— abide by a tradition of civility.

Today we Filipinos must learn to accept that national society is more—much more—than just an aggregation of individuals or families or clans. We must realize that every human society is a partnership of connected generations which includes not only those who are living but those who are dead and those yet to be born.

And we cannot continue—as people had done in the past—to pass the buck to some future generation. There is no one here but us.

*Hindi na natin maaaring sabihin pa: “Saka na ang pag-iimpok; saka na ang pangangalaga; saka na ang pag-ayos; saka na ang sipag, saka na ang disiplina.”*

We Filipinos have been so self-indulgent for so long that we have wasted all the assets—the economic strength, the political freedom, the technological skill—we once enjoyed in the contest for development with our neighbors in East Asia.

Now we are derided as the “Sick Man” of our region.

Now we are the exception to the East Asian rule of economic vigor and political stability.

So far down from so way up: so many things to do, and so little time. Must we wait another 20 years for things to happen?

Not really, for we have already begun.

*Source:* **Presidential Museum and Library**

Ramos, F. V. (1993). *To win the future : people empowerment for national development*. [Manila] : Friends of Steady Eddie.

**NATIONAL GOVERNMENT PORTAL – EDITED AT THE OFFICE OF THE PRESIDENT OF THE PHILIPPINES UNDER COMMONWEALTH ACT NO. 638**

**Speech of President Ramos on his First 100 Days**

**Speech  
of  
His Excellency Fidel V. Ramos  
President of the Philippines  
On his First 100 Days**

[Delivered on October 8, 1992]

**The first one hundred days**

*Sa araw na ito, matatapos ang unang isang-daang araw ng aking panunungkulan. Bukas, ang Simula ng dalawang libo at siyamnaput isang araw pa.*

*Sa dami ng dapat gawin ng Pangulo, ang bawat araw ay mahalaga kung kaya't minahuti kong mag-ulat sa inyo kung ano ang nagawa na natin; at kung saan tayo magpapatuloy mula rito.*

*Magtatapat ako sa Simula: Hindi nagawa ang lahat ng akala ko'y magagawa. Ngunit mayroon ding mga mahalaga na magawa na hindi natin akalaing magagawa. Ako sana ay nagmamadali subalit kinakailangang hawiin muna natin ang mga sagabal sa ating layunin.*

*At mayroon ding mga sakunang hindi natin maiwasan—gaya ng Bulkang Pinatubo.* My assumption of the Presidency signalled an unprecedented chance for a new beginning for the Philippines.

FOR the first time in our nation's history, our people had elected not only a President and a Vice-President but also an entire Congress and all local officials down to the municipal level.

For the first time in more than a quarter of a century, we had an orderly transfer of power, the acid test of any democracy.

This new beginning could also very well be our last chance to transform our situation peacefully.

We inherited a politically fractured nation. The campaign had spawned intrigues and petty rivalries that divided our people. Stability had been battered by the Communist insurgency, secessionist movements and military rebellions. Our society was gripped in fear by rising criminality.

The economy had lagged behind those of most of our neighboring countries. Our foreign debts weighed heavily on our shoulders. Our country's wealth remained in the hands of a few.

The bureaucracy had overgrown and yet the quality of basic services—from garbage collection to police protection—sharply declined.

Our energy crisis crippled industries and brought to households untold miseries.

Nature wreaked havoc through earthquakes, typhoons and volcanic eruptions, dislocating thousands of families and laying their productive lands to waste.

## **Agenda for government**

In my inaugural address, I said there were enough problems to engage us all. I also said there were no easy answers, no quick fixes for our basic ills. I called on our people to join me in the reform and renewal of our society. I asked our people to help me in laying the groundwork for political stability, economic growth, a revitalized bureaucracy, adequate supply of energy and protection of the environment.

These five major concerns constitute the course we have charted toward alleviating the poverty of our people and the poverty of the nation.

We have not wavered from this course. And I am proud to say that despite the many obstacles, we have had steady gains in the first one hundred days of our Administration. My main objective for this initial phase has been to set the course of my Administration and lay the basis for effective government.

I had begun by restoring political stability and enhancing our national security. In the pursuit of peace, our offer of amnesty and the legalization of the underground Communist party has recovered for Government the moral high ground in the struggle against the insurgents. Even as we peacefully erode the bastions of leftist and rightist rebels, we continue reaching out to various sectors so that they may commit themselves to the Government's agenda for peace.

We are proceeding in full force against criminal elements. The Presidential Anti-Crime Commission, headed by the Vice-President, is dealing with kidnapping and other heinous crimes. I myself have initiated the cleansing of the national police and the armed forces.

## **Reaching out**

As part of this cleansing process, I am enforcing the principle of command responsibility—which makes the immediate commanding officer equally liable for the crimes of his subordinates if he fails to act effectively to prevent, pre-empt, investigate and punish the offenders.

We have reached out to various sectors, the religious groups, NGOs and peoples' organizations, Local Government units, civic organizations, the media and the people themselves to consolidate the divided forces of the nation.

Recognizing that local officials are partners in national development, we have provided support for the Local Government executives and called for a fast-track implementation of the Local Government Code. My meetings with a wide spectrum of sectoral groups as well as my provincial visits equally accorded the people an immediate response from the President on their deepest concerns.

To symbolize my Government's concern for the too, I hold a monthly "People's Day" at Malacañang. To date, I have visited all but three of our 15 administrative regions.

To lay the groundwork for a healthy economy, we have removed all controls on foreign-exchange transactions and taken steps to privatize Government corporations. And we are moving progressively to reduce tariffs and quantitative restrictions on most of our imports.

With the economic stabilization program, we have brought down inflation down to 8 percent. We hope to reduce interest rates further by the end of 1992. The consolidated public sector deficit we shall hold down at less than 3 percent of GNP.

On the foreign debt, a financing package signed in July should reduce our debt service obligation as a percentage of exports from about 19 percent this year to 16 percent in 1993.

## **Inflow of foreign investments**

Investments approved by the Board of Investments reached P63.7 billion during the period, exceeding the target by at least 105 percent. Investments registered with the Securities and Exchange Commission amounted to P29 billion—14 times higher than the same period last year; and inflow of foreign investments totalled \$144 million in July alone (an increase of 161.8 percent over July 1992).

Also, tourist confidence has been strengthened. Tourist receipts increased by 16 percent and visitor arrivals by 17 percent during the past 100 days. Investments in tourism for the same period amounted to P8.3 billion and are expected to generate 6,500 new jobs.

Our 1993 budget commits P87.1 billion to public investments — most of which will go to power plants, telecommunications, highways, seaports, irrigation and other infrastructure.

These reforms, taken together, prepare the ground for sustained growth.

In the last three months, 16 poorest provinces had been identified and assisted as priority areas for development.

We have continued to boost agrarian reform by resolving bottlenecks and fast-tracking operational procedures even as we extended postharvest, credit and technical assistance to new landowners. Infrastructure support has been actively pursued, from the schoolbuildings of Zamboanga, the roads of Batangas, to the national telephone program.

We are working toward self-sufficiency in food by improving delivery systems and providing agricultural workers with better access to credit.

The expected increase in agricultural land conversion as a result of industrial and urban expansion has resulted in the adoption of interim guidelines under a national land-use framework plan. With this start, effective land use on a nationwide basis will be assured.

We have encouraged the establishment of more small and medium-scale businesses under the Small Business Guarantee and Finance Corporation for the local and export markets while providing alternative livelihood opportunities for those who have been displaced by natural calamities.

### **Agra-industrial development**

The Presidential Commission to Fight Poverty was created to integrate the efforts of the poorest among our poor into the mainstream of our economy. Our efforts are concentrated on generating productive jobs and living wages for our people.

Today, several regional industrial centers are being developed on an accelerated basis that are intended to capture investments and employment opportunities for our skilled manpower and generate services from the countryside. Foremost of these are the Subic Bay metropolitan area and the CALABARZON Integrated Development Project in Luzon; the Mactan Export Processing Zone in the Visayas; the Davao City-South Cotabato area; the Cagayan de Oro-Iligan Industrial corridor, and the Northern Luzon quadrangle.

We have effected the reduction of brownouts through more diligent maintenance of power plants and by tapping the generation capability of the private sector. A fast-track program to put an additional 800 megawatts into the Luzon grid by mid-1993 is now in place.

We are establishing a Department of Energy to carry out a national energy and power development program to ensure in the mid-term the steady flow of electricity to our homes and factories. More efforts have also been poured into oil exploration and the development of hydroelectric and geothermal power sources.

### **A revitalized bureaucracy**

Memorandum Order 27 initiated the revitalization of our bloated bureaucracy. We have begun to decentralize and simplify administration — to focus the bureaucracy on delivering basic social services; and to sensitize it to its primal function of serving the people.

Performance and finance audits I have ordered of the most sensitive bureaus, agencies and institutions shall become the baseline for probity in the care and use of public funds.

We have accelerated the resolution of criminal cases and improved access to Government legal aid services to improve the delivery of justice. To break the bottleneck in resolving administrative cases, we are providing, through an executive order, the implementing rules to the 30-day requirement in the Administrative Code to act on such cases.

We have also initiated local programs and projects that address directly the needs of specific groups — marginal farmers, coastal fishermen, upland cultivators, disempowered women, out-of-school youths, urban squatters and slum dwellers. Today, we launched the project to convert Smokey Mountain into a healthier housing and work area.

Basic services continue to be delivered to our people.

For public health, breakthroughs in preventive medicine have been made through mass immunization of babies.

In education, we have started the process to set up schools in each of the 6,000 barangays that need them even while we upgrade the quality of teaching standard and instruction materials.

Our employment rate has increased by a modest 3.7 percent over last quarter's figure.

Meanwhile, the Metro Manila Authority is moving steadily in the improvement of garbage collection, traffic management and the cleaning and greening of the metropolis.

We have done all these even while we undertake massive resettlement and rehabilitation work in Central Luzon.

### **Environmental protection**

The revitalized bureaucracy is used to make the public actively conscious of the environmental ills we face and the steps we must all take to preserve the environment. All agencies have been enjoined to translate our agenda for sustainable development and environmental protection into realistic goals. Strict enforcement of environmental laws and the active involvement of the private sector to assist our agencies in environmental protection measures should be the yardsticks for our environmental plans.

Amid all of these domestic concerns, I have not neglected our foreign relations: I have, in fact, just returned from two days in Brunei Darussalam, where I consulted with our partners in ASEAN on new modes of regional cooperation.

We are reviewing our relationship with the United States, in the wake of its withdrawal from Clark and Subic Bay. And we are refocusing Philippine embassies abroad toward economic diplomacy—to make them serve our foreign trade and our urgent needs for foreign investment and technology; and to care for our heroic overseas workers.

Our continuing consultations and economic cooperation in ASEAN lay the foundation for the future growth and welfare of the region without closing its doors to the rest of the world.

### **People empowerment**

In our effort to empower ordinary Filipinos, the principle we follow is that governing functions which can be done adequately at a lower organizational level should not be usurped by a higher authority.

In this spirit, we are devolving political power from the central government to Local Government units — and from the public to the private sector.

My Government now works more closely with NGOs and people's organizations —to whom we have given representation in development councils at municipal, city and provincial level. Today, NGOs are involved in nearly every civic project — from waterworks associations to food-for-work projects; from farmers cooperatives' to credit networks.

People's organizations are represented in the various committees drafting the successor medium-term plan; in the Presidential Commission to Fight Poverty; and in the enforcing of environmental laws. Local organizations are active in our campaign against illegal logging and in forest protection. NGOs and people's organizations are well represented in the new council on sustainable development—which is our lead agency in protecting the Philippine environment.

The Kabisig People's Movement has been strengthened and revitalized. In addition to advocating Government-private sector cooperation toward increased productivity of our people and the self-reliance of our communities, it has also been tasked with the implementation of our moral recovery program to spiritually awaken our people in support of the reforms we have initiated.

The reaction to our initial initiatives gives us ground for optimism—an optimism the stock market and recent opinion surveys increasingly reflect.

If Filipinos are still hurting, they have also become hopeful about the future. And this to me, is the most significant change of all—because “hope is the anchor that will keep our state firm and secure” (Hebrews 6:19).

In the teeth of defiance by kidnapping syndicates preying mainly on the Chinese-Filipino community, I have ordered elements of the armed forces and other agencies to support the Presidential Anti-Crime Commission and the Philippine National Police in the campaign against them.

I know I speak for every one of us when I express my anguish—and anger—over the brutal killing by kidnappers of two young Chinese-Filipinos.

No matter what it takes, we will eliminate these outlaw-gangs. We can never allow them to hold our civic stability to ransom.

### **Reconciling with the rebels**

To our Communist adversaries, we are reaching out with no illusions that negotiating peace will be easy.

Even so, we are willing to sit down with them—in the hope that we can stop the killing and bring back to civil society the cadres of the movement—the young men and women who are also its sacrificial victims.

It is to these misguided young people that my heart goes out. To them I say: Do not throw your lives away for a lost cause. Your country needs you to live for it: to help it be the best it can become.

I foresee reconciling with the military rebels. Here also Government has taken the first step — by releasing their captured leaders to the custody of their service chiefs.

As for our Muslim communities of Mindanao, Sulu and Tawi-Tawi, the viable option has always been development through autonomy and not separatism.

Government's best policy is to support-in every way it can-the economic and social policies of this autonomous government, to hasten the modernization of our Muslim communities and their integration in the national community.

### **The next 2,091 days**

My dream is to see our country on a steady course to newly industrialized country (NIC) status by the end of my term.

My dream is to see the less fortunate of our people equipped with all the humanities of life.

My dream is to see our national community working as one to achieve these goals. To this vision I intend to devote the 2,091 days that remain of my Presidency.

By 1998 we should be hitting 10 percent in real GNP growth. By then, income per capita should be at least \$1,000; and poverty incidence down from today's 50 percent to less than 30 percent.

What will it take for us to attain this vision?

We need to generate from among us a civic revolution—an explosion of social energy—which must begin in our hearts and minds as one people.

It must begin as a revolution in social attitudes, in civic commitment.

Civic responsibility has always been the price of freedom.

We must accept that national society is more—much more— than just an aggregation of individuals or families or clans.

We must realize that every human society is a partnership of the connected generations of changing persons that include not only those who are living but those who are dead and those yet to be born.

And we cannot continue—as we have done in the past—to pass the buck to some future generation. There is no one here but us: We are responsible for one another.

*May isang awit ng makabagong simbahan na nagsasabi ng lahat tungkol sa pananagutang sibiko. At ito'y simpleng-simple at lalong marubdob kaysa ano mang sermong sekular ng Pangiduhan.*

*At ayon sa awiting ito:*

*Walang sino man ang nabubuhay, para sa sarili lamang.*

*Walang sino man ang namamatay, para sa sarili lamang.*

*Tayong lahat ay may pananagutan sa isat isa.*

*Tayong lahat ay tinipon ng Diyos, para makapiling niya.*

God bless the Philippines. May God bless us all!

**Source: Presidential Museum and Library**



Ramos, F. V. (1993). *To win the future : people empowerment for national development*. [Manila] : Friends of Steady Eddie.



### **An openness to outside competition**

My Government has placed its hope for economic recovery and sustainable development neither in continued protectionism nor in State control of the economy but in individual enterprise and an openness to outside competition.

In this spirit, we subscribe to the concept of an ASEAN free-trade area, to which my distinguished predecessor, President Corazón C. Aquino, committed the Philippines in Singapore last January.

Our Medium-term Development Plan for 1993-98 includes programs to reduce mass poverty to half its present level; reduce income inequality, generate industrial jobs and expand investments in education, health care, social services and skills-training for our people.

In this work we have no room for the kind of behavior shown by the man who sat in a boat, boring a hole under his seat. He said, "Don't worry, shipmates. It's only my seat, not yours."

In all of these, we look to our relations with our ASEAN partners—and with the wider world—as a pillar of our national development.

Clearly there are considerable opportunities for ASEAN to tap more fully in the world economy. Our economies should grasp these opportunities as they develop. And how do we prepare ourselves for them?

### **Preparing for economic opportunities**

First, ASEAN must build a stronger base for interdependence. If we do not convert into interdependence the chain of cooperation that has brought our economies together, then our separate countries—each one alone—surely will not stand up to complexities and intense competitiveness of the world economy.

Second, ASEAN must continually enhance its attractiveness for foreign investment. We must keep up this flow; also, our healthy competition for foreign investments into our national economies.

Third, ASEAN must continue building up its industrial infrastructure. ASEAN has a large and diverse range of mineral, agricultural and other resource-based primary products and raw materials on which sturdy industrial infrastructure can be built. This in turn will encourage the growth of processing industries.

Fourth, ASEAN must nurture intermediate and supporting industries to convert processed primary products. These industries can service not only a regional but an international network of industries.

Fifth, we must promote our small-and medium-scale enterprises. These industries will need time and support to adjust. But given the proper support, they will surely prosper in a more liberal and open environment.

Sixth, ASEAN must develop service industries—particularly in management, finance and information.

Finally, ASEAN must invest more intensively in the development of its human resources.

The framework agreements among the heads of government on enhancing economic cooperation have laid the basis for achieving these urgent tasks. So let us waste no time in putting these policy agreements in motion.

I am confident that whatever you agree on at this conference will work to our mutual advantage. I am just as hopeful for your scheduled dialogue with Japan's Minister of International Trade and Industry and his team.

The future of ASEAN will depend not only on promoting the integration of our economies but also on strengthening our relationships within the broader community of nations.

### **Reducing economic barriers**

ASEAN should take a leadership role in enhancing these relationships through cooperative efforts in reducing barriers to trade, investment and transfer of technology and in developing our precious human resources.

Through the ASEAN Free Trade Arrangement (AFTA), ASEAN can offer a dynamic and growing market to potential investors and, with improved economies of scale, ASEAN industries could take part more fully in global production.

The implementation of AFTA charts the future direction of Intra-ASEAN Economic Cooperation. It will have far-reaching implications on many of our economic undertakings within the next 15 years. They will not only widen intra-ASEAN trade industrial integration and harmonization, but with the pressure of freer trade, also put the discipline of stronger competition on our production sectors.

The challenge to us in Government, therefore, is in accelerating the efforts to provide the structure and mechanism that would support the transitional adjustments of our domestic industries. We should provide for a stable and supportive policy environment and the infrastructure that would facilitate the freer movement of goods. We should also provide the appropriate fiscal and financial policies and reduce red tape, which acts as physical barriers to trade.

### **We all need each other to survive**

In the face of these developments, we cannot overemphasize the important role of an invigorated and enhanced ASEAN secretariat. Changes in the ASEAN structure and organization itself would ensure that decisions are made expeditiously and actions implemented effectively.

Equally important, the ASEAN mechanism should ensure that there will be broad consultation and that the fruits of our labors are shared equitably across the broadest spectrum of our national societies.

And more than anything else, the ASEAN mechanism should ensure that we maintain a continuously healthy relationship with the rest of the world, especially with our dialogue partners and with the emerging regional groupings. We all need each other to survive.

We should not be caught off our guard. Free-trade arrangements are being undertaken in other parts of the world to create greater competitive advantage, ASEAN should therefore know how to play the game and win.

Further, our establishment of AFTA should not be regarded as a substitute for the multilateral approach to trade negotiations in moving the world toward a more open global economic system. We must build on our commitments to push for a successful conclusion of the Uruguay Round and the further strengthening of the multilateral GATT system.

The success of the Uruguay Round will bring an end to the fallacy of seeing AFTA as merely a countervailing force against the European Community or NAFTA or any other bloc, AFTA should be pursued because of its own economic merits. The pragmatic approach of implementing AFTA through consecutive tariff cuts over 15 years suggests that the "own merit" view now prevails in ASEAN policy-making.

Your mission, ladies and gentlemen, is to lay the conversion for greater inter-Asian trade; the establishment of joint ventures between the East Asian tiger-economies and our own; and the transfer of modern technology to our workers.

The job is a tremendous one. But so are its potential rewards—the rise of an East Asian economic bloc comparable to those of Europe and North America by the year 2000.

Events in the world compel us to urgency in this work of binding our economies closer together. So let us closely monitor, analyze and take action on the growing rapport between Japan and China and between China and Taiwan. In both situations economic pragmatism, not political factors, appears to be the leading consideration.

### **Politicians drive, Economic Ministers putt**

I do not underestimate the magnitude of the job before you over these next few months. But you, the Economic Ministers, have been put in charge, because you are known to regard situations not as problems but as solutions.

Those of you who like to bet when you play golf must know the saying: “Drive for show, putt for the money.”

The length of your drive may dramatize the strength of your game. But it is the direction of your approach and the precision of your putt that win you the match.

The golf metaphor expresses aptly the relationship between the political leaders who drive and the Economic Ministers who putt.

We the politicians—for people will agree to call us “statesmen” only after we’re dead—are the most visible on the stage of Southeast Asia.

But it is you, the Economic Ministers—with your quiet work and your expertise— who shall bring to our country, to ASEAN, to the condition of sustained prosperity to which we all aspire.

*Source:* **Presidential Museum and Library**

Ramos, F. V. (1993). *To win the future : people empowerment for national development*. [Manila] : Friends of Steady Eddie.

**NATIONAL GOVERNMENT PORTAL – EDITED AT THE OFFICE OF THE PRESIDENT OF THE  
PHILIPPINES UNDER COMMONWEALTH ACT NO. 638**

**Address of President Ramos at the Regional Development Council-Cabinet Consultative Workshop on the  
Medium-term Development Plan, November 19, 1992**

**Address  
of  
His Excellency Fidel V. Ramos  
President of the Philippines  
At the Regional Development Council-Cabinet Consultative Workshop on the Medium-term Development  
Plan**

*[Released on November 19, 1992]*

**The  
Development Plan**

**Medium-term**

THIS Regional Development Council-Cabinet Consultative Workshop was convened primarily to take up vital issues on the successor Medium-term Philippine Development Plan, especially as it relates to our regions.

This Plan is to be the blueprint of Philippine development over the next six years. That our agenda covers a lot of ground merely reflects the spread—and the complexity—of our problems.

We may not agree on its causes—but we all realize there is something terribly wrong about the way we've been trying to run our affairs since independence.

**A nation turned too much inward**

As the first Asian people to recover our liberty after World War II, we had a head start on all our neighbors. Yet today we lag behind almost everyone else in a region growing at the world's fastest rate.

One reason, I think, is that over these past 45 years we Filipinos have been turned too much inward. We have been absorbed in partisan political quarrels, our industries we have coddled much too long behind protective walls. But of course the world didn't wait. While we contemplated our navels, our neighbors one by one passed us by.

And if we do not shape up now, we shall fall farther and farther behind.

I'm grateful to those participants who have come from the far regions—enduring the distance and inconvenience in your striving to be one with us in pursuing our shared vision of progress. It is your voices that we need to hear most.

This Government's primary reason for being is to uproot poverty and give the Filipino a better quality of life. All the priorities of my Administration are directed to that paramount goal.

**Keeping pace with Asian tigers**

The need to embark on a drive for development has never been more urgent than it is now—when our economy is struggling to match the dynamism of our next-door neighbors. If we are to attain our dream of becoming a newly industrializing country by the turn of the century, we have to keep pace with these Asian tigers. And we should start right now.

In our protracted war against poverty, and in the effort to improve our lives, we have resolved to use one basic strategy. In general terms, this is to undertake a sustained process of people empowerment through human development and world competitiveness.

I believe fervently that there are extraordinary possibilities in ordinary people. This, to me, is what democracy is all about.

To achieve all we need to do, we must develop a culture of competence and seriousness: there can be no playing politics with national welfare.

Adlai Stevenson warns us—wisely—that “a feeble nation is the result of self-inflicted wounds.”

The specific tactics, policies and goals that will carry out this strategy are what will be contained in the Medium-term Philippine Development Plan for 1993-98. It is to seek your participation in its preparation that we have asked you here. This Plan will guide all national and regional development activities in the critical years during which we shall be pushing our economy to a maximum sustainable growth.

Its major targets cover three major areas—growth in our gross national product; a corresponding increase in income per head of population; and a significant reduction in the incidence of poverty. These three targets shall provide a reasonable yardstick of our performance, with the help of the private sector.

While this Plan seeks a better life for all, it also calls on each of us to make sacrifices in deference to the general welfare. Let me emphasize that we are striving to make this Plan as rational and as optimal as possible. In so doing, the Plan’s coordinators are working to ensure that it does not inordinately favor any sector or region.

I, therefore, call on everyone to leave behind narrow, parochial interests and rally behind the interest of the country in making it economically competitive with other countries.

While guarding the national interest, however, the Plan will remain sensitive to the real needs of its constituents—particularly to the needs of marginalized sectors and regions. These sectors and regions need as much assistance they can get, to enable them to exploit their comparative advantage.

### **Positive discrimination**

While pursuing our growth objectives, we shall not hesitate to discriminate positively in favor of those in dire need of special forms of assistance. A crucial part of our agenda is to establish “safety nets” for those of our people who are rendered immobile and powerless by poverty and its consequences— ill-health and ignorance.

To get the most benefits from the resources that will be used in carrying out this Plan, we are firming up an accompanying Investment Program that will rationalize the flow of public funds into priority activities. This program will be an objective guide to the allocation of resources at both the national and regional levels. It will ensure that all are evenly benefited by these resources in the long run.

We are aware of the need to harmonize and speed up all development endeavors. We are prepared to take steps—and impose sanctions, if necessary—to ensure everyone’s compliance with the Plan’s mandate and provisions. It goes without saying that we shall be extraordinarily vigilant against those who waste precious resources for improper uses and purposes.

After this two-day workshop, we expect that regional priorities will be neatly dovetailed with the national Plan. We also expect that the allocation of regional investments will be firmly based on agreed-upon agenda criteria, and that the regional dimension of the nationally set priority subsector activities will have obtained everyone’s concurrence.

We take pride in being the first Administration to adopt the process of reconciling national and regional plans with priority subsector activities. This is to ensure that development activities at all levels are based on what we all consider national priorities for the next six years.

#### **A different Administration**

I would like to think that this is also a manifestation of the cooperative and consensual spirit that permeates the country's present leadership.

I hereby instruct the Cabinet Secretaries of the line agencies that will carry out the Plan to maximize their sectoral linkages. As development managers, they must involve the various groups and sectors concerned—assigning them specific roles and responsibilities to ensure the success of the Plan.

I also enjoin the Steering Committee to strive to achieve as wide a support and acceptance as possible of this Plan.

Finally, let me assure everyone that if previous Plans had failed because of a lack of commitment from both Government and its people, my Administration will be different. It is committed to ensuring that this Plan will open for us the development horizon we Filipinos have been looking for.

*Source:* **Presidential Museum and Library**



**NATIONAL GOVERNMENT PORTAL – EDITED AT THE OFFICE OF THE PRESIDENT OF THE  
PHILIPPINES UNDER COMMONWEALTH ACT NO. 638**

**Speech of President Ramos at the Philippine Business Conference, November 20, 1992**

**Speech  
of  
His Excellency Fidel V. Ramos  
President of the Philippines  
At the Philippine Business Conference**

*[Released on November 20, 1992]*

**Democracy  
development**

**and**

FOR THE FIRST TIME in just over a little a year, I am privileged to address this annual business conference of the Philippine Chamber of Commerce and Industry. As you will recall, last year I was one of the many curtain raisers at this conference, where the Presidential candidates presented their economic platforms. And as you asked me during that encounter what my chances were, my answer was very forthright. I said, “Better than the others.”

A year ago also, I came here promising many things to you, to our people and to our country. And today I am under challenge by you, by the media and by the masses of our people for me to redeem those promises. And I will say now before this conference: the business of this nation is moving forward and national prospects have never been better than they are today.

**From anxiety to optimism**

This confident assessment of our situation will perhaps differ from the perceptions of others. Looking at the same phenomenon, some get an acute case of depression—while others may find illumination and encouragement. Some are moved to indict democracy in our country—while others derive hope from it.

Viewpoints differ—and even collide—because we’re all looking at the phenomenon of national decline, and poor economic performance when compared with our neighbors, who’re modernizing at the world’s fastest rate.

At the same time, changes are taking place in the world at bewildering speed and scope—and we’re worried that we might be left behind even farther.

We all realize we must think about our economic challenges and about international politics in a different way. To cope with these twin challenges, we need to look outward—not inward, as we’ve done these past 42 years.

**New intellectual attitudes**

We need new intellectual attitudes to replace our narrow notions of the world and our place in it. Because there are as yet no certain answers—no proven solutions to the Philippine problem—many of us are anxious lest the policies we adopt for renewal should not work.

But there also comes a point when this sort of talk turns into a paralyzing kind of anxiety and pessimism. Then it serves only as an excuse for doing nothing—apart from making jokes about ourselves.

When an American disc jockey goes to the extent of abusing Filipinos on the air, we must wonder whether this is not an offshoot of our own masochistic penchant for self-flagellation. For the plain truth is that there is also another—and much brighter side—to the story of this country. And we should not fail to remind ourselves about it.

One part of that story is of the sacrifices ordinary Filipinos have made for the sake of freedom and democracy in this country. Through our own efforts, we have founded in this region of Asia an authentic democracy. In a region I might add—in which some democracies are democracies only in name. We must be proud as Filipinos of having invented a new nonviolent people's revolution in February 1986 that became the model for other people revolutions in the rest of the world.

The other part of the story is how—over these past few years—we have turned the corner in our quest for national renewal. We have begun to put our house in order and to put our act together by reaching out to all the leadership sector of our society in order to attain greater consolidation and teamwork.

“In each country where economic change has been successful,” observes the *International Herald Tribune*, “the key has been a national consensus for change.”

We have started to build this consensus. This 18th Philippine Business Conference is one of such building blocks for that consensus. And given this consensus, I truly believe that we can now carry out all the policy reforms, as well as national and regional programs which are necessary for takeoff.

### **The discipline of democracy**

Yet some of us—impatient for a quick fix for all our problems—would throw away our hard-won gains in the political sphere, in exchange for ease in decision-making.

And I note the counsel of our valued friend, the distinguished senior statesman of Singapore, Senior Minister Lee Kuan Yew, urging on us more discipline and less democracy. Surely what he means in the Philippine context is greater self-discipline for all Filipinos. Greater discipline in politics, and less of the politics of patronage. Greater discipline in business, greater discipline in paying our taxes, greater discipline in the use of public funds, greater discipline in government itself, which means less if not negligible graft and corruption, greater discipline in our relations with each other as members of Filipino society, which means less bickering, less factionalism, less of the crab mentality and more of the great and treasured Filipino values that carried this nation to its independence as started by our heroes a century ago.

I myself am a great believer in discipline because I came to the Presidency from a profession in which discipline can be a matter of life and death. I can appreciate how brushing aside obstacles to his agenda can save a lot of time and effort for any political leader. But this prescription fails to consider our ill-fated flirtation with authoritarianism not so long ago. And then also, it fails to acknowledge that in what we have today—at the ramparts of our Government—we have installed a process that enables our political leadership—in Congress and in the executive branch—to work more closely together.

This Government is gripped by neither paralysis nor gridlock. And I am confident that what is required for national deliverance, the executive and Congress shall provide by closer collaboration.

We should not skip over the entire story of our national life—focusing only on the troubles of the moment. Our hard-earned political achievements are in every way part of the national promise today. Because without them, without democracy, we cannot truly win development.

And we should not rush to substitute for our democratic processes the discipline of command. Democracy evokes from citizens a discipline of its own—the better for being voluntary, not imposed from above. And that is the civic discipline of participation, persuasion and consensus.

## **Development strategy**

Peace and order and power supply are basic requirements for improving the business climate. But we must not stand transfixed and immobilized by these problems. These are being strongly addressed. We must not wait until they are solved before we attend to the other needs of the economy, or before carrying out our development strategy.

Only two days ago we convoked the National Security Council for the first time in several years. And on that occasion I made some opening remarks that reviewed very briefly our external as well as our internal situation. And I'd like to quote portions of that brief speech before the leaders of our country:

"We must begin to appreciate how economic and technological forces are changing the globe before us. The depth and speed of change in the region and in the world has been unprecedented. All of these events and trends have profound implications for our national interests, for our national stability, for our economic growth and for our public safety. They present challenges we must face up to, and also opportunities we can exploit. To cope with this fast-changing world, our diplomacy must learn to be subtle, flexible and focused. In our straitened circumstances, we must live by Churchill's admonition, which is "that the reason for having diplomatic relations is not to confer a compliment but to secure a convenience."

## **Give-and-take**

As his reaction to that national security conference, one of our most distinguished, experienced and learned columnists who is also a ranking member of the Senate (although, not from my political party), had this to say, and I quote Senator Blas Ople:

"In that meeting of the National Security Council, President Ramos and his close advisers gave briefings on the economy, foreign policy, the power crisis, the peace process and the campaign against organized crime. It was a very instructive meeting, especially since the President encouraged a free give-and-take between members of Congress and his advisers.

"I was satisfied that the President has shown a majesty of the inter-relationship of all of these factors as they bear on our national security. He may have been the first President to define national security in an essentially economic framework."

That meeting two days ago is also what this meeting, the eighteenth PBC, is all about.

We have mentioned that development strategy must rest on the empowerment of people—people empowerment: empowerment of the business sector—by freeing it from unnecessary regulations that only deter it from doing its best under conditions—not of cartels or monopolies—but of free and equal competition.

Empowerment of our citizenry so that their talents and energies can be made to bear on their well-being and the uplift of the whole society. Empowerment of our local communities so that they can become net contributors to national growth.

This Administration has started the process of freeing the economy from too many regulations so that it can generate productive jobs and living wages for our work-people.

Already, as you all know, we have removed all controls on foreign-exchange transactions. We are moving progressively to reduce tariffs and quantitative restrictions on most of our imports. And we are chipping away at high interest rates, from about 24 percent a year ago, to about 16 percent a month ago, and we hope to keep them going down.

Hospitality to foreign investment and openness to competition are integral to this program—because we're acutely aware that we cannot, on our own, generate the capital and the technological skills we need to enable our economy to develop rapidly.

### **Reduced debt-service obligation**

On the foreign debt, the financing package we signed in July has reduced our debt-service obligation as a percentage of exports from a high of 33 percent to 19 percent after the agreement was entered into.

And in the countryside—from region to region—our Local Governments have started the vital process of making their communities more hospitable and attractive to investments.

At this very moment the members of the Cabinet and our Regional Development Councils, which consist of governors, city mayors and leaders of the private sector, are themselves working and studying in a workshop, precisely to find out how we can make this bottom-up kind of approach, starting with our communities, become more effective in our development strategy. In this respect, there has been a lot of excitement evoked by the promise of Subic, which is being replicated by major projects also going up in the Visayas and Mindanao.

One measure of our economic reform program is the way it has already elicited the interest of the foreign community. But even more dramatic is the response of our business community—judging by your conference theme: "Ready for Takeoff."

### **Outlook for exports**

In our export sector—on which that takeoff will greatly depend—there has been much alarm of late over the strong peso, which has arisen from the foreign-exchange deregulation and the entry of foreign money, including \$1.2 billion worth of remittances by our Filipino overseas contract workers.

We believe this is a temporary travail. Liberalization shall soon enough produce its promised rewards in more stable and favorable exchange rates for our exports. Nevertheless, we're mindful of how the situation could hurt our export sector, and we've adopted a two-pronged approach to the problem.

At the macro level, we have carried out measures to maintain exchange rates at levels that would encourage exports, bring down interest rates, liberalize the investment climate and maintain low to moderate inflation rates. These have been reported upon by your resource speakers during the last two days. I will add that this Administration has proposed priority bills to convert the Central Bank into a Central Monetary Authority, and to liberalize the banking industry so as to provide for more effective competition.

At the micro level, measures are continuously being taken to reduce trade restrictions—including those that will allow the price system to operate more freely.

On trade and export promotion, our commitment to a liberalized trade regime will be enhanced by our participation in the ASEAN Free Trade Agreement (AFTA)—the main mechanism of which is the Common Effective Preferential Tariff (CEPT) scheme. The CEPT scheme will effect a gradual reduction in intraregional tariffs on all manufactured products within five years.

To prepare our industries for Philippine participation in AFTA, I hereby direct the Secretary of Trade and Industry to institutionalize—immediately—the AFTA commission to serve as a forum for consultations on policies concerning the Agreement.

### **Reconstituting the AFTA Commission**

As you know, this multisectoral AFTA study commission was dissolved after it had submitted its report to President Aquino. Since Government now sees the need for a permanent AFTA Advisory Commission to continue evaluating the impact of AFTA on our economy over the next 15 years, I am pleased to announce before you that I have approved the Executive Order proposed by Trade Secretary Rizalino Navarro reconstituting this AFTA Commission—and providing funds for it from the President's contingent fund.

In sum, this commission shall have the following powers and functions:

Prepare studies to identify the issues and implications of AFTA and ASEAN economic cooperation on the Philippine economy and its industrial, agricultural and financial and service sectors, including labor and the farming sectors, and propose a concomitant work program, including legislation where needed, private-sector initiatives, and technological innovation to enhance our competitive advantages in the regional market.

Recommend directions, policies and guidelines for the Government in its continuing discussions and negotiations with the ASEAN governments and the dialogue partners in all areas of economic cooperation. Enhance collaboration and aim at consensus among the various sectors such as business and industry, and agriculture, the service sectors, science and technology centers and labor and non-Government organizations.

And to create such subcommittees and task forces as may be necessary to accomplish all of these.

I can tell you in advance that this AFTA commission will have for its joint chairmen Secretary Navarro and Mr. José Pardo, president of the Philippine Chamber of Commerce and Industry, and 14 other prominent representatives of the private sector.

We cannot repeat this point often enough: Exports are the key to long-term sustained growth. There is no other way for us. I am confident that the outward-looking policies we are now implementing will significantly reduce distortions in relative prices, generate employment and improve the distribution of income.

### **Liberalizing trade and investment**

We expect the liberalized trade and investment environment to improve employment in the country. Clearly, we cannot be satisfied with the 1.1 percent growth in productivity for the six-year period of 1985-91. A significant increase in the productivity will have to depend on our ability to retrain the workforce and produce the new human capital needed by the Philippine economy.

Steps are now being taken to correct the dysfunctions in the labor sector, the dismal state of technical and vocational education, and poor retraining schemes—which are becoming a burden in our drive toward sustained growth.

Along this line, I have asked Congress to immediately enact pending legislation aimed at alleviating the worsening education and workplace crisis. This includes maximizing the dual training system in the Philippines, where Government and the private sector join hands to ensure highly skilled and efficient workers. Once enacted, these measures will further strengthen our comparative advantage within ASEAN in terms of an educated and highly skilled labor force.

Finally, I must underscore the centrality of people in our development program. We cannot talk of the struggle for development merely from the point of view of the entrepreneur. For this must be a struggle of the people—of all our people—for change and development.

### **Poverty and countryside development**

This struggle must be fought in the cities and the countryside; in our factories and on the farms; in our boardrooms and in our homes. And we cannot claim victory until we succeed in cutting the massive poverty that afflicts so many of our countrymen.

President Clinton campaigned on this theme of people empowerment, and he succeeded in winning the elections. And so did Eddie Ramos. I believe the world is now through with “trickle-down economics” which has merely left our poor farther and farther behind the rest of the national community.

Emphasis is now on the delivery of basic social services, access to skills-training and extension services, and the promotion of cooperatives.

Promoting countryside development is a major strategy in this Administration’s war against poverty. And we have embarked on measures to improve credit access in the rural areas, research, extension and other support services, provision of rural market infrastructure and the strengthening of cooperatives.

Such innovations as asking congressmen and senators to give some of their countryside development funds to be invested in the Land Bank of the Philippines so that even modest amounts can be leveraged three, four, or even five times are among the programs we are now pursuing to provide our farmers with access to easier credit.

The point is that with this positive discrimination on behalf of our poor, we shall thereby raise them to a level where they can decisively help man the machines and farms of business and industry. Their greater productivity will spell the productivity of the entire economy.

### **Political will**

Certainly, what we have done in nearly five months is still not enough. But change we are now undertaking, and we shall not relent until we fully transform the climate for economic effort in the country.

By training and inclination, I am a realist. I do not read too much into any situation—no matter how promising. I believe in measurable targets and measurable achievements. The bottom line for me is the accountant’s ledger.

Nonetheless, I cannot but feel elated by the evidences of change in attitudes and perceptions borne home to me by my visits across our country and my meetings with delegations of businessmen from here and abroad who have come to visit and see for themselves what is happening in our country.

In my meetings with local leaders and communities, I can testify to their strength of confidence, their eagerness and their readiness for the challenge of economic change in this country. They are weary of politics, especially that kind which we call traditional, patronage politics and they want to get things done. They understand that for development to happen, Government cannot do the job alone. They must themselves take part.

These—more than anything else, more than even the interest of investors in our country—are what signify to me that this country can reverse its record of decline and failure. That our reforms are taking hold, and that we are indeed ready for takeoff. Our task, then, as leaders and as entrepreneurs is to turn this promise to the lasting benefit of our people and our country—to make this final decade of the twentieth century into a time of growth and dynamism in our land.

Where this task of transformation can be filled by our labors in the Executive, you may be assured I shall spare no effort to do what must be done. Where this task requires the energetic collaboration of Congress, I shall urge our legislators to write us the laws that will release the energies of the nation. And where finally this task must be filled by the enterprise of the private sector, I urge you in this community to take up with zeal and dedication your role as the engine of development in our free society.

Let us all join together in this crusade for change and transformation. Let it not be said that in this time of promise, we did not sound the clarion and our people never heard our call. By all means, let’s take off.

*Source:* **Presidential Museum and Library**



## **Speech of President Ramos at the Subic Turnover Ceremony, November 24, 1992**

### **Speech of His Excellency Fidel V. Ramos President of the Philippines At the Subic Turnover**

*[Delivered at the Subic Naval Base, Olongapo, November 24, 1992]*

#### **Let us make history!**

SINCE Miguel López de Legazpi took possession of the Philippine archipelago in the name of the Spanish crown in 1571, there has been no single day that foreign troops—Spanish, British, American—have not been based on Philippine soil. After 421 uninterrupted years, that epoch is about to be transformed. We can be sure that this day will forever be engraved in our memories.

Today's simple but moving ceremonies bring down the curtain on that long and storied era in Philippine history.

#### **Preserver of the regional balance of power**

For close to a century, American military facilities and forces in Subic Naval Base helped preserve the balance of power in this highly strategic area of the world. And up to the Persian Gulf war, Subic Naval Base served as a pivotal unit in the scheme of free-world defense in Asia and the Pacific.

In a real and profound sense, Subic Naval Base was a beacon to the parts of the globe which had not been illumined by the beneficent light of freedom. It also stood as a monument to the comradeship in arms of a developing nation, the Philippines, and a superpower, the United States of America, born out of a common commitment to democracy and freedom, nurtured by mutual respect and regard, and sustained by shared experience and a similar vision.

From the welter of varied views on the future of U.S. involvement in regional affairs, our region of Asia and the Pacific, one portentous reality emerges, and that is, that the member nations of ASEAN uniformly hold the view that American power and influence remain essential to the preservation of peace and stability in the Asian and Pacific region.

#### **The future of Philippine-American relations**

Turning to Philippine-American relations, let me say in plain, unmistakable terms that we have a continuing community of strategic and economic interests with the United States. This central fact of life transcends fluctuations in the political and psychological climate of Philippine-American relations. It denotes invariable constants in bilateral affairs, which either country can ill afford to subordinate to transient considerations and ephemeral exigencies.

Many of our eminent leaders have urged that the United States and the Philippines fashion a new framework for Philippine-American relations away "from the stultifying atmosphere of the bases issue." I subscribe to that view.

History has a way of validating ideas. We all can see how the result of the recent American presidential elections lends validity and urgency to the proposition that our two countries must now fashion a new framework for their relationship in keeping with the geopolitical realities prevailing in their common areas of concern and interest.

As one contemplates the picture of Philippine-American affairs, two massive and compelling facts instantly obtrude in one's mind: first, the United States market remains our biggest and most profitable. And second, the United States remains the undisputed leader of the free world.



At a time when the Philippines' export trade has continuously been in the doldrums, we have uninterruptedly enjoyed a whopping trade surplus with the United States, which was registered at \$1.2 billion last year.

On the other hand, it should be pointed out that the Mutual Defense Treaty, which lies at the core of the security arrangements between the Philippines and the United States, cries for a new, bracing breath of life. Framed and adopted at the height of the Cold War, when American and free-world strategy was based on the idea of surrounding the Soviet empire with bases of military and economic strength, the Mutual Defense Treaty has now to be re-examined in the context of the post-Cold War era. Its concept, its thrust and its scope have to be attuned to the realities of a world tormented by new conflicts and rivalries and faced with new trials and challenges.

### **Two irritants**

Two matters, in particular, have to be clarified: when and where an attack on one party is to be regarded as an attack on the other party as well, and the precise point at which retaliation to attack is to be waged. It is well to bear in mind that these two matters have tended to be irritants in the relationship over the years between the Philippines and the United States.

The scope and the composition of bilateral trade and economic cooperation have to be reviewed and updated. The mechanism of bilateral economic affairs has to be re-engineered with a view to the progressive realization of expanding mutual progress.

At this time, the Philippines and the United States are called upon to improve the structure of their historical and traditional relationship. They must reinforce its foundation, buttress its ramparts and shore up its weak spots.

And so as an earnest of their common desire to serve the ends of mutual defense, the Philippines and the U.S. governments through the R.P.-U.S. Mutual Defense Board have agreed to review, so that it can be revitalized, the Philippine-American Mutual Defense Treaty under the auspices of which various programs and projects would be undertaken encompassing customary ship visits, joint military exercises and similar cooperative arrangements. These activities are to be undertaken within the accord of the Mutual Defense Treaty and do not entail the necessity of concluding any new and separate agreement.

### **Our plans for Subic**

What is reverted to the Filipino people today is certainly more than just a piece of real estate. It is part of the nation's patrimony which we hope to consecrate to peaceful use and for the benefit of the Filipino people. The blueprint for transforming this military complex envisions both preservation and development. To be precise, we aim to maintain and secure its natural attributes—the pristine beauty of its forest cover and the clear, deep waters of the bay.

This complex shall become the centerpiece of a conversion program that encompasses all the facilities and base lands relinquished by the United States. While its historical significance to our two countries will be deeply etched in the touchstone of our long-standing friendship, the Subic of tomorrow will acquire a universal identity as a major gateway for the world to our shores.

The Subic of tomorrow shall be the best manifestation of our primary focus on the economic concerns of the nation. Subic shall be a showcase of economic growth activities, from industries turning out quality products for exports to resorts offering tourists nature's bounty and our renowned hospitality.

I confirm what Mayor Dick Gordon, who is also the chairman of the Subic Bay Metropolitan Authority, has said here today that your President shall be your one-man oversight committee over the Cabinet, over the SBMA Council, and over the Local Government executives, as well as your one-man public relations man toward our own people and our foreign friends so that indeed the promise of Subic and our vision for it will be fulfilled not too long from now.

### **Attention to social concerns**

But while our plans are given priority for the economic potential of this reverted territory, we shall not neglect the social concerns that have arisen from Subic's existence as a military base.

Foremost among these is the welfare of what the people of Olongapo call "the throw-away children," or the Amerasians, in our midst. The Philippine Government will do everything it can, not only to ensure them of enough opportunities to become educated, productive and useful citizens. And I will not allow them to end up in poverty, much less in street gangs. As Subic develops economically, we hope we can provide these young children with the means for gainful employment.

In the final analysis, however, the welfare of these young Filipino-Americans remains the joint responsibility of both countries, which does not terminate with the withdrawal of U.S. forces from the Philippines.

This and other social concerns must be discussed in future talks on Philippine-American relations. We will rely on the Americans' sense of civil responsibility so that the social effects of their stay are addressed to the mutual satisfaction of both parties.

As friends and allies, the Philippines and the United States stand on a promontory from which they have a commanding view of the past, the present and the future. Behind them lies a long mountain range of shared experience in mankind's unending quest to expand freedom and progress. And ahead of them lies an entrancing vista of new promise, new frontiers, new horizons, new opportunities.

I, for one, have high hopes that the leaders, the statesmen, the diplomats, the defense managers and the economic strategists of the Philippines and the United States, fired with a common inspiration and vision, will seize the opportunity before them to reinforce the bonds of friendship and mutual cooperation that unite them, to contribute to the enrichment of man's heritage of democracy and freedom, and to build a fortress of human liberty and well-being in this corner of the globe.

In sum, we bid "bon voyage" to the American servicemen represented here by their highest commanders and their ambassadors. As we do this we ask the U.S. government and the American people for the strengthening of our partnership on the basis of economic cooperation, social concern, mutual support and democratic commitment.

Let us not simply glory in history. Let us move on and make history!

*Source:* **Presidential Museum and Library**

## Speech of President Ramos during the Bonifacio Day, November 30, 1992

### Speech of His Excellency Fidel V. Ramos President of the Philippines During the Bonifacio Day

[Delivered at the Quirino Grandstand, November 30, 1992]

#### The task of patriots

*Sa mga iniwang katha ng ating minamahal na si Andrés Bonifacio, ang kanyang sinulat ukol sa pag-ibig sa tinuhuang lupa ay kailanman hindi natin makakalimutan. Wika niya:*

*Aling                      pag-ibig                      pa                      ang                      hihigit                      kaya  
sa                      pagkadalisay                      at                      pagkadakila  
gaya                      ng                      pag-ibig                      sa                      sariling                      lupa?  
Aling pag-ibig pa? Wala na nga, wala.*

THIS DAY is the 129th birth anniversary of Andrés Bonifacio, and this year is the centennial of the founding of the Katipunan. It is only fitting that we mark these two events together with this moving parade and celebration. For Bonifacio was the founder of the Katipunan, and the Katipunan embodied his noblest dreams for our people and our country. The one sanctifies the other.

#### How the revolution began

History tells us that on the night of July 7, 1892, Bonifacio met with a handful of men at a house in Tondo. Under the flickering light of a table lamp they signed with their own blood an oath to work for the welfare of the Motherland, and to organize themselves into a secret society to be known as Kataas-taasang Kagalang-galangang Katipunan ng Mga Anak ng Bayan. Their aim was to separate the Philippines from Spain as an independent nation. The hurried meeting was the offshoot of the news that José Rizal had been arrested the previous night and banished to Dapitan.

From that night onward, the pace of events was fast. A year after, it had spread all over Manila and was beginning to branch out into Cavite and Bulacan. By 1896 it had chapters in eight provinces, and was gathering adherents in the thousands.

Before the Katipunan was ready to strike, however, it was discovered by the Spanish authorities. On August 26, 1896, on the hills of Balintawak, Bonifacio and other Katipuneros launched the Filipino revolution against Spain.

#### Glory and grief, triumph and tragedy

Thus the story of our national revolution began—in the soil of Spanish oppression and in the heart of one man. What followed afterward is a story of both glory and grief, triumph and tragedy.

And of all the chapters of national history, there is none more stirring than the birth of the Katipunan and the cry of Andrés Bonifacio to his countrymen to rise up in arms.

Later would follow the many griefs and tragedies of our national revolution. The execution and martyrdom of José Rizal. The division of the Katipunan into factions. The denial to Bonifacio of a place of honor in the organization he had founded, and his treacherous assassination.

Yet, no nation and no people can afford to be selective about their history—choosing only the pleasant things to remember and relegating the unpleasant side to forgetfulness.

It's been said that those who don't remember their history are condemned to repeat it. In a way, we are a living illustration of its truth—repeating the disunity and betrayals that scarred the Katipunan and our revolution throughout this century, quarreling over how the past is to be written or remembered.

We must learn from our history.

We cannot stop at merely commemorating the memory of Bonifacio and the Katipunan. To do so would be merely to perpetuate our past mistakes. We must sanctify and ensure our future by the example of Bonifacio.

We must also derive from their memory inspiration and purpose for our own lives today. They must energize us in facing the challenges of a new time—guarding against the pitfalls that made Bonifacio a victim, and striving to do better in the national enterprise we are now embarked upon.

To this day our revolution remains unfinished. While this has become a cliché, reflection tells us it is so very true. Many of the hopes awakened by Bonifacio and the Katipunan have remained unfulfilled—not least their hope that the poor masses of this nation would themselves rise in well-being upon the achievement of national independence.

Every time we remember Bonifacio and the Katipunan, we must never forget that the revolution was seeded and fired by the hope of the poor for a better life. Some had tried to take the revolution away from them—saying that it was an *ilustrados*' affair. Some had sought to appropriate Bonifacio for their own cause and their own purposes.

### **They fought for a nation, not a class**

One thing is very clear about the story of Bonifacio and the Katipunan. They fought for a nation, and not a class. They expressed ardently the hopes of the poor under a free Philippines. But they brought into the cause other groups in our society—the educated and the affluent—and turned the revolution into the struggle of our race.

Bonifacio and the Katipunan belong to no party and no class—but to all of us. Today, we are again at a critical hour in national life. Depending on how we act, our country will either prosper or falter. Depending on how we match our deeds with our brave words, this nation will enter its first century developed and just, or dragged down as ever by crisis and disunity.

My fellow countrymen, I will venture to say today—on this the 129th birthday of Andrés Bonifacio—I firmly believe our present struggle will meet with success.

What Bonifacio and the Katipunan began we will continue. And we will not allow a repeat of the mistakes and divisions of the past.

*Source: Presidential Museum and Library*

**Speech of President Ramos at the 30th Annual Meeting of the Philippine Economic Society, December 14,  
1992 Speech  
of  
His Excellency Fidel V. Ramos  
President of the Philippines  
At the 30th Annual Meeting of the Philippine Economic Society**

*[Released on December 14, 1992]*

**Economic  
for the 1990s**

**directions**

I WAS pleasantly surprised to receive your invitation. I hadn't known there was room for fellowship among contemplatives of the "dismal science."

I shall *not* attempt to instruct you: On the contrary, I hope things work the other way around.

Actually, the President's life is simple enough. I really have only two problems: The political ones are insoluble; and the economic ones are incomprehensible.

**A country brimming over with economists**

Seriously, I find it ironic that we—who so pride ourselves on our individual competence—should find ourselves so far down the economic ladder. Of us Filipinos, any wise guy could reasonably ask: "If you're so smart, why aren't you rich?"

Everyone knows this country brims over with economic brains: This hall is filled with them, and the overflow populates the World Bank and the International Monetary Fund.

If a logician were to generalize from our example, he might be led to conclude that a country's progress is inversely proportional to the quality and number of its economists.

I note, too, that this Society was organized in 1961—during our second foreign-exchange crisis. But how many other similar crises have we had since then? Either you haven't been doing your job as you should—or people in authority haven't been listening to you.

Perhaps the reason is that economists themselves disagree congenially. Perhaps George Bernard Shaw was correct when he observed, "If all economists were laid end to end, they would not reach a conclusion."

But Keynes was absolutely right. Many of us slavishly follow economic theory that is actually long dead and buried.

Look at how ideological stereotypes from the Cold War still dominate our economic debate in politics and in the press. We still have serious people seriously arguing for Stalinist-style "nationalist industrialization"; while their opponents still speak up for "trickle-down."

We still hear foreign investment being branded as "neocolonial"—together with institutions like the IMF and the World Bank; and proposals to open the economy to competition denounced as a betrayal of "Filipino First" policies.

Yet the recent history of economic theory has really been the downfall of one orthodoxy after another. The only theoretical certainty is that no economic doctrine can be engraved in stone—if only because each country is unique in its character and historical experience.

### **A new concept of national security**

In the wake of Communism's collapse, competition in the world is shifting from the military and the political to business and trade. Economic strength has become the new measure of national power. And national security must now be founded ultimately on our country's economic strength, its political unity and its social cohesion.

Most everywhere in the world, private enterprise has also become acknowledged as the more efficient engine of economic growth. And following the example of the most successful national economies, many countries—including President-elect Clinton's United States—are bringing together national business, the labor unions and Government to work cooperatively against foreign competition—in the manner made famous by Japan Incorporated.

In a much more modest way, we ourselves are getting Government, business, and labor to work together—to bolster our country's competitive position in the region and in the world.

If Government was the monkey on the back of business, now it must create the economic climate in which individual enterprise can thrive.

### **Authoritarianism or democracy?**

Any discussion of Government's role in development in a poor country must begin by venturing an answer to the question of which is more efficient for economic development—authoritarianism or democracy? Discipline or freedom?

To answer this question, every country, every people must draw on its own historical experience.

In our country, any master plan for development must take into account the political choice Filipinos have made again and again—most recently at EDSA six years ago, when they stood up against a strongman's tanks to reclaim their liberty.

For any economic planning in this country, political democracy is a “given.” A critical mass of popular opinion has formed, which makes one-man rule impossible.

Instead of the discipline of command, the Philippine President must invoke the discipline of civic responsibility.

But democracy to me does not mean Government's passively following wherever the electoral majority inclines. Democracy to me is not just horse-trading—and certainly not the endless search for the least common denominator among partisan interests.

Democracy to me means Government's leading public opinion toward the direction that it considers the country should take. That kind of democracy is what my Government aspires to.

### **Our policy reforms in the large**

To start off our economic reforms, we have begun dismantling the superstructure of regulation and control which has made whom you know—and not what you know—the secret of business success in this country.

We are putting a stop, once and for all, to political entrepreneurship—which merely transfers wealth, instead of creating it. And we are cutting off monopolies and cartels—in manufacturing, in the financial system, in the service industries and wherever else they may be found.

We're also selling off the last big-ticket items left over from the era of crony capitalism. I have given our managers a deadline of November 1993—and if they think they can get around that, then they have another think coining.

Our tariff structure we are moving rapidly to the minimum levels prescribed by the ASEAN Free Trade Area—to which we are unequivocally committed.

Agriculture and industry I regard not as mutually exclusive but as complementary. There can be no de-emphasizing agriculture—if only because so many of our people continue to derive their meager livelihoods from it.

As in Japan, Taiwan, South Korea and China, Philippine agriculture must become the foundation of Philippine industrialization. Public policy must encourage it to modernize and diversify—to be able to absorb more workhands, raise nutrition levels, reduce income disparities and raise demand for the products of industry. And in this effort land reform seriously conceived and seriously carried out must have the highest priority.

Opening the economy will obviously be difficult in the short term. But in this world there is no gain without any pain. What is more, we really have no choice. Unless we change its basic structure, our economy will never achieve self-sustaining growth.

### **Communitarian capitalism**

To achieve this growth, we are more than willing to unleash the energy of self-interest. But we shall also insist that Philippine capitalism keep a regard for the social whole. Though wealth should be privately owned, its owner should make a public use of it.

We recognize the legitimacy of unions and other worker associations—and we shall support them in their efforts to protect their rights and to cushion their memberships against the hardships of economic life.

We Filipinos have always accepted that people with more are obliged to help people with less—in the name of compassion and in recognition of a human community. This traditional moral code we shall make a principle of public policy. There are many reasons that compel us to attempt this—self-interest included—because the few who *have* can never be secure in their possessions for as long as they live in the midst of so many who *have not*.

Until now we have relied on “trickle-down” mechanisms—from large Government projects and national businesses—to ease mass poverty. But development has not trickled down, because there are few channels through which growth can flow downward.

The only way to wipe out Philippine poverty is to attack it directly. All the agencies of Government must take on a pro-poor bias. Economic policy in the large must become sensitive to the well-being of the majority among us who are without the means to lead decent and useful lives.

To a great degree, the poorest Philippine regions are poor because they have had less access than the richer regions to basic Government services. This historical neglect we are redressing with “positive discrimination.”

We shall be allocating to the poorest provinces, cities and towns more than their usual share of elementary schools, hospitals and health clinics, farm-to-market roads, irrigation systems and other basic infrastructure.

Government shall also be setting itself not merely theoretical but measurable standards for gauging its success in easing poverty year after year.

Indonesia—over the 20 years from 1970 to 1990—was able to reduce its poverty level from 60 percent to less than 20 percent. Against that achievement by our closest neighbor, we shall dare to measure our own effort.

### **People empowerment**

Through what we call people empowerment, we shall awaken local communities and ordinary Filipinos to the full possibilities of modern life. Part of this work must be to carry out a realistic population policy. Serious imbalances in our economy and our environment have been aggravated substantially by our country's rapid population growth.

Another urgent task must be to compel comfortable Filipinos to fulfill their civic responsibilities.

I have always thought it ironic that Filipinos of means—who are the quickest to complain about the quality of our social services—should also be the most adept at shortchanging Government on their taxes.

Civic responsibility has always been the price of freedom. I recall Keynes also saying that, in the long run, we are all dead. But, in truth, part of us lives on long after we are gone—because human society is a partnership of the connected generations of changing persons that include not only those who are living but those who are dead and those yet to be born.

And we cannot continue—as we Filipinos have done in the past—to pass the buck for our country's mass poverty, its social inequality, its environmental degradation, to some future generation. There is no one here but us: And we are responsible for one another.

What can you do? As intellectuals and citizens, give us individually and collectively the benefit of your intellect and your experience. Take part in the debate on economic policy. Keep the economic officials honest: Keep them on their toes.

Write, speak out. Go public with your own opinion. You will find this President willing to listen. You will find this President grateful for wisdom and good sense, wherever they may be found.

*Source:* **Presidential Museum and Library**



**Speech  
of  
His Excellency Fidel V. Ramos  
President of the Philippines  
On Ulat sa Bayan**

*[Released on January 7, 1993]*

**In pursuit of change  
and growth**

**In**                      **pursuit**                      **of**                      **change**

**and growth**

*Ang taong 1992, kung tayo'y magbabalik-tanaw, ay naging isang makasaysayang yugto sa buhay ng liping Pilipino.*

And yet in the face of the nation's trials and tragedies, there was renewed hope bequeathed to us by the triumph of our democracy. We have found new strength in our oneness as a people to reverse our past mistakes.

And now, at year's end, we sit in judgment over what we have done to ease the plight of the Filipino. What indeed has the Ramos Administration done since it took over the nation's leadership?

I envisioned that the Philippines could become an economic tiger, a nation that would have advanced on the socioeconomic front to catch up with our neighbors by the end of this century.

We want an empowered citizenry, engaged in gainful employment and productive undertakings, propelling the wheels of the country's economy through their own collective strength toward a common goal of adequacy. We want a nation at peace with itself and with the world.

The first six months of my Presidency have been devoted to laying down the foundations for the attainment of our vision of sustained development and enduring democracy.

## The five priority programs

Let me now go to the five priority programs which serve as the nucleus of our efforts to create an environment conducive to growth and provide the conditions for sustainable development and progress.

Our first priority is national stability and unity.

During the first six months of my Administration, we effected an improved condition of political unity. We have listened to and consulted with other national leaders and the people themselves, reaching out to the farthest regions of the country and opening the doors of Malacañang to ordinary Filipinos.

I have also been conducting regular meetings and dialogues with our legislators, provincial governors, mayors and private-sector leaders to thresh out problems in the management of our tasks and to communicate our common vision.

We eliminated most of the legal barriers to our peace process. We repealed the Anti-Subversion Law. We initiated confidence-building and goodwill measures by creating an amnesty program, conducting a reconciliation and livelihood assistance program and releasing political detainees and military rebels. We established the National Unification Commission to define the policies, procedures and framework for the peace process with all rebel and insurgent groups.

### **A quest within grasp**

Today, our quest for a true and lasting peace is within our grasp. Our peace process has started to bear fruit, with the return of numerous rebels to the mainstream of society.

More important, the ram leadership has surfaced to participate in the peace process. A preliminary agreement, signed by the Government and RAM, provides for the cessation of hostilities for the duration of formal talks to start this month. This then signals the advent of a more peaceful and unified community.

To step up our fight against criminality, I instituted the Presidential Anti-Crime Commission under the Vice-President to effect a unified front against organized criminal syndicates and other enemies of peace and order. The campaign has resulted in the neutralization of 14 kidnap-for-ransom groups, the arrest of 125 suspected kidnappers and the busting of 42 drug syndicates.

But peace and order can thrive only with justice. Justice is the first duty of the State. Justice makes the people secure in their persons and properties which make up their life. This is why we continue to strengthen the pillars of our justice system. The Commission on Human Rights was strengthened through the expanded participation of human-rights advocates. The Presidential Fact-Finding Committee on behest loans was created to investigate loan accounts of more than 100 firms amounting to several hundred billions of pesos and just recently we experienced a shining moment in the system when justice was served in the case of the killing of Maureen Hultman and others.

In an atmosphere of stability and unity, the quest for economic recovery becomes more realizable. The results are encouraging. Already, some positive effects on the economy are now being felt, although we have to admit that the full impact of our economic recovery programs will be realized over a period of time.

By the third quarter of 1992 the economy started to recover, posting a modest GNP growth of 1.9 percent, which is a lot better than the successive negative growth rates recorded during the first two quarters of the year. And we have continued to sustain this upward trend. At the close of the fourth quarter of 1992 a higher growth rate is expected to be recorded. And we aim to make it higher in 1993.

### **Reducing inflation and interest rates**

We have kept down our inflation rate, from 9.5 percent during the first quarter to 8.6 percent in October and November, which is much lower than the 19 percent average inflation during 1991. We have reduced our interest

rates from about 18.4 percent during the first quarter of 1992 to 15.4 percent for the third quarter so reflected in the 91-day Treasury bills.

And in order to sustain our economic gains, the Government generated the resources for growth.

The flow of foreign credit was ensured, and substantial savings were generated from lower debt service. Last July we signed a debt restructuring package relieving us from paying a debt service of \$1.7 billion from 1992 to 1997, providing the Philippines \$135 million in new financing, and allowing a debt buy-back worth \$1.2 billion.

Under the Government's policy of liberalizing the economy, foreign-exchange transactions were deregulated, reducing the cost of sourcing foreign-exchange funds.

The country's bid to improve the climate for industry, trade and investment also paid off. More investors are now putting up businesses in our country.

For the third quarter of 1992, gross investment inflow for the same period more than doubled (increased by 144 percent) over the same period last year.

### **Bold initiatives**

We took bold initiatives to promote and expand trade, enhance industrial activities and encourage the inflow of investments and tourism.

We adopted more deregulation (like the opening of the Car and Utility Vehicle Development Program to new participants); and initiated legislative measures to further liberalize investment laws; e.g. the horizontal condominium and the 99-year lease proposed bills.

We operationalized several strategic industrial areas as focal points for investments. Among these are the Subic Bay Special Economic Zone, CALABARZON, Cagayan de Oro-Iligan Integrated Corridor and the Northern Luzon Growth Quadrangle of Laoag, San Fernando, Dagupan and Baguio; the Cebu City-Mactan Area; and the Davao City-General Santos growth corridor.

We invited and were visited by potential investors abroad to come to the Philippines. Trade missions and investment consortia continue to come. Today we have lucrative trade agreements with China and Vietnam. Several negotiations are going on for similar treaties with 10 other countries.

We continue to streamline investment processing. In particular, we are decentralizing the functions of the Board of Investments to regional offices.

There is also the merger of the Manila and Makati Stock Exchanges to form the unified Philippine Stock Exchange, which aims to generate greater capital formation and increase accessibility to investable funds.

Even the tourism industry has responded positively to our efforts—posting increases in visitor arrivals by 23.6 percent and tourist receipts by 34.3 percent, comparing 1991 and 1992. In addition, Philippine products are now more actively competing in the international market.

At the same time that we promoted investments and international competitiveness, we also saw to it that local prices of commodities remained stable, supplies were maintained, and consumers were protected from price increases. Price Coordinating Councils with more private-sector participation were organized to oversee price stabilization. As a result, the retail prices of basic commodities in Metro Manila declined by an average of 2.7 percent between July 1992 and December 1992 even as we reduced the prices of gasoline as a complementary move.

### **On the fast track**

We are fast-tracking the construction of vital infrastructures to support development efforts. At the end of 1992 we completed 1,600 kilometers of new or improved highways, 217 flood-control systems and more than 3,800 water supply systems in the countryside. In the urban areas, 102 basic infrastructure projects consisting of roads, water supply, flood control and drainage systems as well as basic communications facilities were also completed.

We are still struggling to rebuild the destruction wrought by Mount Pinatubo. Government has poured in millions of pesos' worth of infrastructure, resettlement and livelihood projects for the rehabilitation of the victims in the affected areas. But because the damage is so massive, there is need for a continuing rehabilitation program in the next several years.

The ability of our economy to recover and sustain its hard-earned growth significantly depends on the availability of electric power and energy. We have therefore set as among the top priorities in our action programs the creation of a stable and adequate supply of power and energy to cover as wide an area and at the lowest price possible.

For 1993, six fast-track and four regular projects are targeted for completion, with a combined capacity of 1,464 megawatts. This is sufficient to cover the short-term power requirements of the country. So far the projects are on schedule, with the majority to be in operation on or before September. These will eliminate the brownouts. Meanwhile, we continue to involve the private sector in power-generation investments and projects.

### **Increased growth in power**

We have also created the Department of Energy, which is expected to enhance coordination and integration and enable a more focused energy policy formulation and program implementation, and moved to strengthen the National Power Corporation through streamlining and an additional capital infusion of P3 billion.

Electrification programs we shall continue to push, to cover wider areas and service more households nationwide.

I have directed an increased growth rate in the power sector from 6 percent-8 percent a year to 10 percent-12 percent a year.

As we pursue our development thrusts, this generation must ensure that the future generation is left with the resources necessary to sustain our present development efforts. In this regard, we have laid the policy framework and intensified our campaign at environmental protection.

We created the Philippine Council for Sustainable Development to establish the guidelines and mechanisms that will expand and concretize the principles embodied in the Rio Declaration and Agenda 21 of the Earth Summit, or the comprehensive program for conservation and management of resources. We are also adopting new policies on forest watershed and environmental protection.

To counter the garbage and pollution problems of Metro Manila, we launched the "Clean and Green" campaign, which is led by an interagency committee, with Local Governments and NGOs participating.

### **Toward a responsive bureaucracy**

All these priority programs we cannot pursue if our bureaucracy remains ineffective in responding to our tasks. In response to this we have laid the groundwork for a more responsive bureaucracy. An efficient bureaucracy that is responsive to the needs of the people and the country is a necessary instrument for our program of development.

I have directed the streamlining of all Government agencies by realigning human and material resources toward achieving our priority programs.

We have also started to fast-track the devolution process as provided in the Local Government Code.

And we have continued to reduce red tape in the bureaucracy. One significant example is the effort taken by the BOI to reduce the processing time in the registration and incentives availment of new businesses.

I must admit that as the year ended, there were still a lot of things that remained undone. Yet we have also achieved many things that we can feel proud of as a nation earnestly striving toward advancement under a people-powered democracy.

We look forward to certain tangible results from all the hard work and team effort we have made. We see a positive turn-around in our economic growth. In real terms, much of its impact on the day-to-day lives of our people may only be felt in the coming years, but we are steadily getting there.

### **The quest for stability**

Realistically, the quest for stability through the attainment of lasting peace and economic recovery will continue to be our main agenda for 1993. This will be a year to sustain and build upon the gains that have already been achieved.

There will be numerous opportunities for growth. There will be more resources and more liberal policy measures that we can come up with to further push development to its higher levels.

But our five-point priority program will remain meaningless unless we find the courage to assume the responsibility for our own individual self-sufficiency and national welfare. Nobody can make things better for us but we ourselves. People empowerment: There lies the future of the Filipino.

*Mga kababayan, nasa ating kamay ang ating pag-unlad. Ang ating pagbabalik-tanaw na ginawa ngayon ay isa lamang kasangkapan upang maituwid natin ang ating mga pagkakamali, upang mapunuan ang ating mga pagkukulang, at upang tuluyan nating makamit ang pinakamimithiing kalayaan at pag-unlad ng bansa.*

*Bigyan nawa tayo ng Panginoon ng tibay ng damdamin at tataag ng paninindigan upang maitaguyod natin ang kinabukasan ng ating mga anak.*

**Source: Presidential Museum and Library**

**Speech of President Ramos at the Asia-Pacific Forum on Association of Southeast Asian Nations (ASEAN)  
Internal and External Cooperation in the 1990s and Beyond, January 13, 1993**

**Speech  
of  
His Excellency Fidel V. Ramos  
President of the Philippines  
At the Asia-Pacific Forum on ASEAN Internal and External Cooperation in the 1990s and Beyond**

*[Released on January 13, 1993]*

**The enduring bond  
of ASEAN**

Last year we marked the first quarter century of the Association of Southeast Asian Nations, or ASEAN. If the lives of institutions could be reckoned in the same way as the life of man, then the year 1993 represents the second generation of our ASEAN community.

In our time, we are living through the momentous experience of seeing history dramatically change before us. This experience is the disintegration of one pattern of order in the world and the establishment of new political realities and relationships suggesting the beginnings of a new order.

**The impact of changes**

Among such changes were the fall of Rome in the fifth century, the French and American revolutions in the eighteenth century, the rise of empire in the nineteenth century and then the collapse of empire at the end of the Second World War resulting in the rise of new nations.

We must also reckon the collapse of Communism in the Soviet Union and Eastern Europe and the end of the Cold War at the close of the eighties.

Analyzing the impact of such changes—the challenges and opportunities they bring—is the province of experts such as you who are gathered at this forum today. We who are tasked to lead governments and nations must turn to you for insight and guidance so that we may act appropriately in confronting challenges and seizing opportunities before us.

This is the importance that I attach to this forum on “ASEAN Internal and External Cooperation in the 1990s and Beyond.” How do changes in our time impact on our quest for greater community and solidarity within our region? How can we best harmonize our actions as individual nations to secure the collective stability of our region and the welfare of our respective societies? And how do we face up to the inevitable problems that come up with the passing of the old order and the emergence of a new one?

**ASEAN approaches to challenges**

These questions are foremost today in the concerns of ASEAN governments. By way of opening your meeting, let me venture here a report on how the Philippine and other ASEAN governments are approaching this challenge, as gleaned from the series of conferences and consultations that have taken place in recent months, many of them here in Manila.

To begin with, we see this present period in history as especially opportune for ASEAN. This is a tremendous time for building on the record and advancing the goals of our regional community.

Let me say it at once lest we forget it: there is nothing to be ashamed of in the record of ASEAN since its founding in Bangkok 25 years ago. In our quest for regional peace and stability, ASEAN has fully proved a stabilizing influence—both in promoting peace within the region and in moderating big-power competition on our turf. This is highlighted by hopeful developments in Cambodia and the recent accession of the governments of Vietnam and Laos to the Treaty of Amity and Cooperation, signed in Bali in 1976.

Moreover, there is nothing to apologize for in the economic performance of ASEAN. Today, our region is recognized as a powerhouse of industry, technology and entrepreneurial ability in the Pacific Basin.

Even so, a new chapter has opened for our region. The business of building our ASEAN community must move forward. Both opportunity and challenge impel us to speed up plans and projects for cooperation.

In this spirit, the representatives of our governments have been meeting of late in Manila and other ASEAN capitals. Last July, the ASEAN foreign ministers met here for their 25th ministerial meeting. Within the last four months our economic ministers, labor ministers and tourism ministers held formal consultations and discussions here. Just very recently ASEAN's foreign ministers also convened in the Philippines to discuss mutual concerns with their European Community counterparts.

The frequency of these meetings and the high importance we all attach to them reflect our way of responding to the changes taking place in Asia and the world. We strive to convert change into opportunity, and opportunity into concrete benefits, for our countries and our region.

### **A turning point for ASEAN**

I believe we can turn this final decade of the twentieth century into a turning point for our ASEAN community.

In the measure that we define and accelerate the process of full-fledged economic cooperation within our region, so shall we reap benefits that will redound to regional stability and welfare for all our peoples and our countries.

A new phase of ASEAN cooperation has become both urgent and imperative. Trends in the world economy impact on how far and how fast we can advance our countries and our region forward in this century and beyond.

Nor can we ignore the changes that technology is thrusting upon the world. The advent of electronic interchange has raised a quantum leap in the efficiency of long-distance trade among nations.

And so amid all these changes, how should we in ASEAN respond?

Clearly, we cannot stand still. We, too, must strive to improve upon our instruments and policies for economic cooperation, so that we will not only maintain our position in the world, but enhance it. We must build up our competitive edge and bargaining position.

### **Meeting the challenge of economic competition**

How then should we meet this challenge?

First, ASEAN must build a stronger base for interdependence. If we don't convert into interdependence the chain of cooperation that has brought our economies together, then our countries, individually, will have difficulties standing up to the complexities and intense competitiveness of the world economy.

Second, ASEAN must continually enhance its attractiveness for foreign investment. We must maintain the flow of foreign capital.

Third, ASEAN must continue building up its industrial infrastructures. ASEAN has a large and diverse range of mineral, agricultural and other raw materials on which sturdy industrial infrastructure can be built. This in turn will encourage the growth of processing industries.

Fourth, ASEAN must nurture intermediate and supporting industries to convert processed primary products. These industries can service regional and international networks of industries.

Fifth, ASEAN must develop service industries—particularly finance, communications and information.

Finally, ASEAN must invest more intensively in developing its human resources. Member nations can help one another by sharing more of their manpower pools.

While the West experienced a general slowdown of growth and even bleak economic prospects in the past few years, ASEAN has been able to sustain a dynamic economic growth. Economic forecasters have predicted that this growth will continue to be robust during 1993 at least. Beyond that, however, they forecast that the other regions will regain their competitive edge.

If we are to sustain this pace of development and our relative advantage, we must progressively broaden our level of cooperation within ASEAN. This task requires institutional changes cutting across national borders. We need to anticipate changes on a broad range of factors and issues.

### **Economic aspects of ASEAN cooperation**

This is why we need more intensive and sincere efforts in furthering cooperation, particularly in reducing barriers to trade, in encouraging technology transfer, and in devising a rational human-resource development program responsive to the needs of industrialization and agricultural modernization.

This is why the plan for an ASEAN Free Trade Area, or AFTA, looms larger in regional horizons in the nineties and beyond.

In emphasizing the economic aspects of ASEAN cooperation, we do not neglect the importance of political and security cooperation, which has characterized ASEAN achievements during its first quarter century.

To underline some emerging trends: first, we have moved a long way in reducing conflict and tension; second, future international relations are likely to be dominated by the competition for economic growth and trade.

The competition for markets, technology and investments could generate international tensions as well. Yet these are less likely at this time to result in conflict. I for one see a time when competition will be characterized more by pragmatism and compromise than ideology.

Nevertheless, a number of security issues in the region require attention. These include endemic tensions such as territorial disputes, insurgency and separatist movements within member states.

One possible flash point comes from the islands forming the Spratly Archipelago, to which several countries have laid claim and which has provoked a mini-arms race of sorts. Fortunately, strategic imperatives work the opposite way. For one, internationally recognized and guaranteed sea lanes cut across the area, making it everyone's interest that no single power should exercise hegemony over the Spratlys. For another, it is in the interest of the almost 350 million people bordering the South China basin that the area should remain free of conflict, so that all may share in its resources.

### **Other potential flash points**



As for the other potential sources of instability—the uncertainties still remaining in Cambodia, the generational successions in some countries, the efforts of unification in the Korean Peninsula, and the buildup of defenses in many countries—all of these we include in our concerns. And we must work diligently to direct them toward avenues of cooperation instead of conflict.

On the whole, however, the compelling message of the times is toward greater peace and stability. The democratization of world politics and the new attention focused on economic development are sufficiently pronounced to cool the security concerns and temperatures in our region. The Philippine Government will soon host an international workshop on this problem.

We in ASEAN have been wise to welcome democratic participation in every aspect of national life, recognizing that the genuine political and economic empowerment of our people is the bedrock of national stability and the bedrock of nations—and therefore regional stability.

It remains for us to ensure that the New World Order does not result in a resurgence of narrow nationalisms, that many small conflicts do not replace the single big one that once threatened us.

### **Regional balance of power**

For the region, our obvious and wisest recourse is to try and arrange among ourselves an internal balance of political and economic power sufficient to ensure our collective stability and peace.

We look back and we are thankful for what we have managed to build amid the many conflicts and tensions that had tormented the world in recent decades.

We look forward and from where we are, we can see how much more we can achieve for our societies and our region—if we hold together and work together.

In these challenges that I have outlined, we in the Philippines are fully prepared to do our part—by bringing to an end the internal conflicts that have been a millstone on our development and made our country a source of concern to the region, by putting our economic house in order and by honoring the commitments we have made to our neighbors and to ASEAN.

In much of the region, insurgency and rebellion have been wrestled to the ground. And here in the Philippines, unprecedented political stability has been achieved by my Government's policy of reaching out. We are well on the way to winding down insurgency and separatism as impediments to our peace and progress. And it's significant that we're moving on a course that's most salutary for the future—and that is a peaceful and just settlement with all the groups that have taken up arms against the Government.

In short, we Filipinos will not be a charge, will not be a liability on the ASEAN community. We intend to account for ourselves, to support our own weight and to contribute our just share to peace and security in the region, considering our strategic geographic position in Asia and the Pacific.

### **The crux of development**

Similarly, we view ASEAN economic cooperation and dynamism as crucial to our own development. Development is something we can all win together.

We are confident that during the term of my Administration we will bring our country in pace with the development of the rest of ASEAN.

Under our Medium-term Philippine Development Plan, the general targets from 1993 to 1998 are to reduce mass poverty and income inequality, generate needed industrial jobs and expand investments in education, health care and

skills-training for our people. The targets of the plan are clear: 10 percent GNP growth by 1988, per-capita income of at least US\$1,000 and poverty incidence down to 30 percent of our population.

We have veered away from the inward and insular economic policies of the past by liberalizing our economy and opening it to foreign investments and trade. We now have a new Investments Code that cuts down cumbersome bureaucratic restrictions. We have also removed controls on foreign-exchange transactions.

Consistent with our international commitments, including AFTA, we are moving toward the reduction of tariffs and qualitative restrictions on most imports.

In anticipation of increased investments inflow, we have allocated a large part of our budget toward the development of physical, institutional and support infrastructures, including a full-scale energy development program.

Finally, we are investing heavily in our people—through education, health and other services. To respond to the anticipated needs of industrialization, we have adopted a manpower development plan designed along national and regional development imperatives.

These are not remarkable targets in the context of ASEAN's impressive economic performance. But in the light of Philippine decline over the past two decades, they are achievable guideposts to the future.

When we look at our region today, it is true that there are some things in which our countries are different. Yet there is so much that we share in common. The most enduring bond we share is the ardent aspiration of our peoples for development.

### **Unity in ethnicity, culture and aspiration**

Over the past quarter century, ASEAN has gathered us together in common action to speed up the economic growth, the political stability and the cultural development of our region in a spirit of equality and friendship. In so doing, ASEAN has confirmed Southeast Asia's ancient sense of unity in ethnicity, culture and aspiration.

Now we must move on in our historic journey together to attain the fullness of freedom, peace and prosperity for ourselves and our posterity.

Writing on the history of the world back in the seventies, the British historian J.M. Roberts declared: "The balance-sheet of cultural influence is overwhelmingly one-sided. The world gave back to Europe occasional fashions, but no ideas or institutions of comparable effect to those Europe gave to the world. For centuries, thousands of European ships sailed to Calicut, Nagasaki and Canton. During the same centuries, not one Indian, Japanese or Chinese ship ever docked in Tilbury, Genoa or Amsterdam."

Today, the course of history may be shifting. Another British analyst, Robert Lloyd George, wrote: "For the past two centuries, the insistent pressure, in terms of trade, technology and ideas, has been from West to East. In the 21st century, the tide will be reversed. The pressure and expansion will come from the East. It will most likely be a peaceful pressure, but it is certain that the economic dynamism of Asia will increasingly spill out, in a myriad of ways, over the Occidental world."

### **No mere spectators**

Japan, Korea and China stand at the forefront of this historic tide of change. But we in Southeast Asia are in every way part of the tide. We are no mere spectators, because the ASEAN community is now a major contributor to and participant in the world economy.

It is analysts and experts like you in this forum who open the minds of men to such possibilities. It is the leaders of nations who, by an act of will, turn men and societies to the realization of those potentialities.

If by an act of will, we can surmount the tactical quibbles and parochial worries that so far have prevented ASEAN from realizing its full potential, we can turn a comer in the balance of this century and be in a position of strength to welcome and enter the twenty-first century.

*Source:* **Presidential Museum and Library**

**Address of President Ramos at the First Multisectoral Forum on Science and Technology, January 21, 1993**

**Address  
of  
His Excellency Fidel V. Ramos  
President of the Philippines  
At the First Multisectoral Forum on Science and Technology**

*[Delivered in Manila, January 21, 1993]*

**Philippines 2000**

SOMEBODY—I think it was an official trying to justify his extravagance with the people’s money—once remarked that the Philippines is a rich country pretending to be poor.

Much closer to the truth is the statement that we are a potentially rich country which has somehow remained poor.

A few may be wallowing in *unexplained* wealth. But our people as a whole are experiencing *unexplained* poverty. “Unexplained” because our country abounds in resources—both natural and human.

While being painfully aware of this paradox, I have nonetheless grown weary— as I’m sure you have—of hearing our nation being described as the “Sick Man” of our region.

**Summoning the Filipino spirit**

I’m tired of being told I preside over a sick society. I’m tired of people endlessly cataloguing what’s wrong with the Philippines and the Filipinos.

For a change, I want people to be able to talk about our state of health, instead of our sickness:

What’s good in us; instead of our flaws. What we’re good at; instead of what we’re short of. Our strengths; rather than our vulnerabilities. What we can do; rather than what we have been unable to do.

This morning is a good time for talking positively. Because this morning we summon the spirit distinctly Filipino—*bayanihan, kapit-bisig; tulung-tulungan, sama-sama*.

We shall be mobilizing all these virtues in the Filipino character to achieve the vision we share for our country.

This morning, we bring together agriculture, industry and trade to join forces with Government, the academic community and our scientists, NGOs and people’s organizations—in a drive to make the Philippines an NIC by the end of this century.

This forum shall offer you a prescription for our country’s economic health. We want you to examine this program from your point of view—and also from the national interest. If you agree—as we hope you shall—we will want your wholehearted commitment to this program.

We shall want all of you to join us in undertaking a series of measures that shall continue without letup until our goal is reached—that of reconciling our country with its promise: that of entering industrial status with the new century.

These measures include a National Technology Agenda—which shall teach our people to use technology to enhance our skills and optimize our productivity; to give us greater access and control of our resources in people and in nature; and to propel us into modernized agriculture and an industrialized society.

### **My vision for our country**

My vision for our country—a vision I have long articulated and which I know you share—is for the Philippines to become a place where the least among us has the decent minimum of food, clothing, shelter and dignity—and the chance to make of his or her life the fullest it can be.

I want every Filipino to be secure in his home and in the street. I want our politics to be cooperative—not confrontational—and based on our people's welfare and the national interest.

During my watch as President, I want to see our per-capita income rise to at least US\$1,000; our economy to grow by at least 6-8 percent; and our incidence of poverty to decline to at least 30 percent from the present 50 percent.

Guided by this vision, our Medium-term Development Plan for 1993-98 has taken up the twin themes of “global excellence” and “people empowerment.” Export-orientation of the economy shall “enlarge the pie.” People empowerment shall both help enlarge the pie and divide it more equitably.

### **Achieving this vision**

How do we achieve this vision? Achieving it depends on many factors.

Scanning the environment at home and in the world—the environment in which the Philippines must operate—we identify five major problems we must deal with—before we can place our economy on the way to growth.

First, we must bring down the old economic order. Our “infant” industries—coddled by over 40 years of tariff protection and import controls—are too soft, too inefficient, too self-satisfied to compete in the world.

The second problem—a byproduct of the first one—is our cartels and monopolies. Competition at home has also been distorted by political entrepreneurship, crony capitalism and oligarchic power.

The third problem is corruption in the agencies that regulate and control the economy. Corruption undermines not just the economy but—even more grievously—the entire civic structure of people's faith in Government.

Fourth is the quality of our infrastructure. Our electric power, water, transport and telecommunication facilities and other services are either deficient, inefficient or mismanaged. And this historical neglect is costing us dearly—in lost investments; in raising the prices of goods and services; and in wasted production capacity.

The fifth constraint is the unfavorable economic climate in the world.

We have taken much too long to get our act together. Competition in the world market is now much stiffer than it was when our neighbors—today's dragon-economies of East Asia—began their own ascent to growth.

Exclusivist economic blocs, increasing protectionism in Europe and America, and even the shift from central planning to market mechanisms in the ex-Communist countries—all these trends indicate we shall be venturing out into a tough and unforgiving world.

These five problems we must factor into our growth equation. And we must decisively deal with those we can deal with on our own, as urgently as we can.

## **Learning from our neighbors**

How best do we realize our growth targets? What operational strategy do we pursue?

The way to growth is no longer a mystery. The road to development is by now well mapped. And we also have—at hand—the example of our vigorous neighbors.

Scholars and practitioners from 35 Pacific Rim countries—getting together in Taipei in 1988—identified the secrets of success of five Asian countries—Japan, Hong Kong, Taiwan, Singapore and South Korea. They identified three preconditions for economic growth that all five countries met; and seven strategies they followed.

The three preconditions which made the economic “miracles” of Japan, Hong Kong, Taiwan, Singapore and South Korea possible are:

- 1) Civic order and political stability;
- 2) A deeply ingrained work ethic; and
- 3) Commitment by the political and economic elite to the common good.

As for the seven growth strategies, they are:

- 1) Commitment to a “planned” free-market economy;
- 2) Giving the people a stake in development;
- 3) Industrializing from a base of agricultural productivity;
- 4) Encouraging a high saving rate;
- 5) Developing an educated work force;
- 6) Fostering export industries; and
- 7) Building a solid infrastructure.

## **The example of Japan Inc.**

What is more—except for Hong Kong, which follows classical laissez-faire—all governments in these countries organized their national businesses, labor unions and elite bureaucracies into veritable country-corporations.

The most conspicuous example of this kind of tripartite collaboration is Japan. A core of permanent high-level bureaucrats—located for the most part in the Ministry of International Trade and Industry, the world-famous MITI—regularly consults top political, business and labor officials—to provide a communitarian vision, and an industrial and trade strategy for the Japanese nation.

So successful has this approach been that countries as far apart as Germany, France, Brazil, Malaysia and Thailand have all adopted it. Even President-elect Bill Clinton’s America is gearing up for this same kind of collaboration among government, business and unions.

We ourselves have started to reach out to key national actors—to forge a strategic alliance with them. I see this cooperative venture as characterized by:

1. Informal but close cooperation between Government, business and labor/NGOs-POs;
2. A corporate approach to development: We must set ourselves clear and achievable targets, and select potential “export winners”;
3. Maximum use of information—the great strategic resource of the twenty-first century—to enable us to respond actively to threats—and opportunities—in the world marketplace.

### **Roles of the key players**

For this strategy to be effective, each key sector must take its role to heart. Government must shift from regulative to promotional and developmental modes of intervention in the economy. This is why we are undertaking pump-priming activities—and focusing on electric-power generation and product research and development.

Above all, Government must create the proper policy-environment for private enterprise to flourish. Government must ensure the home market is truly competitive—by dismantling the unfair advantages enjoyed by a privileged few.

I believe the passage of an Anti-Trust Act by Congress now opportune. Such a law will benefit even those who now enjoy monopolistic positions in the home market. It will lead them to become more innovative and more competitive.

And Government must pursue internal reforms to eradicate political—and judicial—corruption. The passage by Congress of a RICO statute—against racketeering and corrupt influences—is now also timely.

Business should widen the base of entrepreneurship; while labor should cultivate among its ranks the work ethic—industry, productivity, technical skills, and the passion for excellence.

To achieve economic growth, we are more than willing to unleash the energy of self-interest, the drive for individual profit. But we shall insist that Philippine capitalism maintain a high regard for the welfare of our masses, and for the good of society as a whole.

Though wealth is best owned privately, its owner should use it for the public good.

### **Civic responsibility and the elite**

One of the reasons our neighbors have grown so splendidly is that in every one of these countries, the political and economic elites have been so deeply committed to the common good. By contrast, development in our country so far has failed—because this commitment to the civic welfare has largely been missing from among our political and economic leaders.

From the centuries of colonialism through the first decades of Independence, our elite has held family and social class *above* that of the Filipino nation. I have always thought it ironic that Filipinos of means—who are the quickest to complain about the quality of our social services—should also be the most adept at shortchanging Government on their taxes.

We shall insist that our business and political elites commit themselves unequivocally to the common good.

We see Philippines 2000 as more than just a forum. We see it as a movement, a campaign, a tidal flow—a huge machinery for development, whose every cog and wheel must be fine-tuned for maximum efficiency.

I call on business and industry; our workers, organized and unorganized; every agency of Government; the civil service; our intellectual, scientific and academic communities; and all our people's organizations to align all their programs with the principles and framework of Philippines 2000.

I expect this group assembled here today, from many sectors and many talents, to draw up—before the day is over—a draft consensus of a National Agenda for Industry and Technology.

I also expect you, in the coming days, to consult as many other groupings as you can. Reach out to every segment of the national community—particularly those with the least access to power and privilege. Speak to them of our vision, our hopes and our programs.

The hour is late. All of these things we must do should really have been done yesterday. We must redouble our collective efforts. We must all work as we have never worked before.

There will be many hardships and few material rewards for those of us who take up this challenge. But if we keep faith with ourselves, with our people and with our God, we shall not fail. We can do it: so let's do it!

*Source:* **Presidential Museum and Library**



**Speech of President Ramos to the National Chamber of Commerce and Industries of Malaysia, January 28,  
1993 Speech  
of  
His Excellency Fidel V. Ramos  
President of the Philippines  
To the National Chamber of Commerce and Industries of Malaysia**

*[Delivered in Kuala Lumpur, Malaysia, January 28, 1993]*

**Look to the Philippines**

I AM GRATEFUL to all of you in this Chamber for giving this traveling salesman from the Philippines this chance to speak to the commercial and industrial leadership of Malaysia.

And I must thank you for that very fine lunch. I understand that there is a saying here that nothing is perfect in this world:

*Gidai sedap nasi mentah, nasi sedap gulai mentah.* (When the curry is good, the rice is half-cooked; when the rice is good, the curry is tasteless.)

But today, not only was the curry good: the rice too was properly cooked.

Our two countries were joined together by blood, language and culture long before they were linked by history.

**Reaffirming regional fraternity**

I was happy for this chance to visit—at the gracious invitation of His Majesty, the Yang di-Pertuan Agong—to reaffirm the fraternity of our two countries and to renew our commitment to our partnership in ASEAN.

I also came to tell you of how, in the Philippines, we have restored political stability and prepared the ground for economic expansion. As my country begins our own ascent to growth, Malaysia's own epic of development begins to inspire us, and makes us determined to become a newly industrializing economy by the year 2000.

Hospitality to foreign investment and an openness to outside competition are integral to our development plans. And since the greatest returns will naturally come to those who are first in, I have also come to invite you, industrialists and businessmen of Malaysia, to look to the Philippines—now.

**Our business fundamentals**

Free and peaceful elections last May and the orderly transition of political authority have renewed Filipino optimism. Since then my Government has initiated political, economic and social reforms, and has set in motion programs that should assure self-sustaining growth and enhance social cohesion.

Our Development Plan for 1993-98 aims to ease mass poverty, reduce income inequality, generate industrial jobs and pursue comprehensive human-resource development.

By the time my term ends in 1998, the Philippines should be hitting at least eight percent in real GNP growth. Income per head shall have reached at least US\$1,000, and poverty incidence reduced from today's 50 percent to less than 30 percent.

In preparing the ground for growth, my Administration began with obligatory tasks like restoring political stability and civic order.

Our offer of amnesty and legalization for the underground Communist Party has recovered for the Philippine Government the moral high ground in its 23-year-old struggle against East Asia's last radical insurgency.

Even the most impetuous of our young military rebels have been persuaded to re-enter civil society, and talks have also begun between our National Unification Commission and separatist forces in Mindanao.

A Presidential Anti-Crime Commission, headed by my Vice-President, is dealing with kidnapping and other heinous crimes. I myself have initiated a thorough cleansing of the national police and the armed forces.

And industrial peace has been restored, after the unrest of the 1986 period.

We have also begun freeing the economy and opening it to outside competition. We removed controls on foreign-exchange transactions that had been in place for 40 years; and privatized both the flag-carrier, Philippine Airlines, and the Philippine National Bank. And we are moving progressively to reduce tariffs and quantitative restrictions on most of our imports.

Tariff-restructuring should reduce the average tariff level from 28 percent to 20 percent by 1995. And out of 2,900 items on our import restrictions list in 1980, only 136 remain.

On the foreign debt, a financing package we signed last July should reduce our debt-service obligation as a percentage of exports from about 19 percent in 1992 to 16 percent in 1993.

We have also kept down inflation and reduced interest rates from 25 percent to 1 percent during the same period—while ensuring the continued flow of foreign credit.

### **Infrastructure investments**

Government agencies are mounting a massive and joint effort to expand both our hard infrastructure—power and energy, telecommunications, transportation, water supplies, housing—and for soft infrastructure such as financial, professional, security and health services.

Our 1993 budget commits the equivalent of US\$3.8 billion to public investments and capital outlays. We look to our expenditures in infrastructure both as investments in future growth and as a pump-priming mechanism to jump-start the economy to renewed growth.

To accelerate power and energy development, we have reestablished a Cabinet-level Department of Energy. Already we have signed six fast-track contracts for power plants under variations of the build-operate-transfer scheme.

By September this year, 10 ongoing power-generation projects should add a combined capacity of 1,464 megawatts—a quantity sufficient to cover our immediate requirements.

We are granting duty-free incentives for power generators, and business and industry have installed some 800 megawatts of additional generating capacity.

### **Incentives for foreign investment**

We are acutely aware that we cannot, on our own, generate the capital and the technological skills we need to enable our economy to develop rapidly.

We also realize how much the remarkable growth of East Asia is owed to the adoption of market-oriented policies that focus on international trade and investment.

Our hospitality to foreign investment is therefore wholehearted and unequivocal. The Foreign Investments Act of 1991, for instance, allows corporations owned entirely by non-nationals full access to our home market.

We are amending existing laws and liberalizing nationality requirements to make foreign companies secure in the possession of their plant sites in our industrial estates.

We are deregulating industries such as shipping, telecommunications, banking, insurance, oil-refining and marketing, and the retail trade—to make them accessible to foreign investors.

I am very pleased to report to you a recent breakthrough in Islamic banking in the Philippines. By virtue of commitments of capital infusions by the Al-Baraka Investment Group, represented here in Malaysia by Kamarudin Mohammad Nor, and Filipino Muslim investors headed by the Mastura group, the Government-owned Al-Amanah Islamic Investment Bank of the Philippines has been revitalized.

We are also working to disperse our industries to the countryside—to regional industrial centers, industrial estates and parks, and export-processing zones and free ports that have been set up all over the archipelago.

The most prominent of these industrial zones include the Subic Bay Special Economic Zone, northwest of Metro Manila, and the rich region of five provinces south of our capital city, which we call CALABARZON. In the Visayas, there is Cebu; and on Mindanao Island, Davao and Cagayan de Oro.

### **Your role in our economy**

We sincerely hope Malaysian investors and industrialists see their way to taking part in our efforts to raise our economy to industrial status.

As you know, the framework on ASEAN Economic Cooperation envisions subregional economic arrangements—growth triangles—as one way of speeding up the development of our free-trade area.

One such growth triangle can be southern Mindanao, Sulawesi and Sabah. There could be other such undertakings involving Malaysia and the Philippines with other partners.

We see AFTA as a means to strengthen the competitive position of our industries in international markets by providing access to a regional market of 320 million people with rapidly increasing disposable incomes.

At the moment, there is a great deal of slack in our two-way trade and investments in each other's economy.

The record of Malaysian investments in the Philippines shows an inconsistent trend. From US\$ 271,000 in 1987 and US\$ 10.7 million in 1989, Malaysian investments approved by our Board of Investments decreased to US\$ 552,000 in 1991. The 1991 investments from Malaysia represented less than 1 percent of total foreign investments in the Philippines.

During 1986-91 our bilateral trade volume was in Malaysia's favor at a 3:1 ratio. The Philippines incurred a trade deficit of US\$769 million in the first 11 months of 1992 alone. We incurred another US\$ 238-million deficit in trade, mainly because of oil imports.

### **A question of political will**

Let me now sum up my salesman's pitch this afternoon:

My Government regards as the cornerstone of its foreign relations a policy of strengthening ties with old friends and trading partners, while developing new friendships in the world.

We regard Malaysia as a brother-nation and we see the ASEAN Free-Trade Area as a main means to strengthen our competitiveness in world markets.

We also regard tourism between our two peoples as an important enterprise for closer understanding and appreciation of our cultures and ways of life. To this end I gave the other day approval for your Malaysian Air System for two additional frequencies per week for its Kota Kinabalu-Cebu route and back.

My country has always possessed the basic ingredients for self-sustaining growth. All it had lacked was the leadership with the will to focus our wealth of human and natural resources on achieving the national goal of attaining industrialized status by the turn of the century.

That political will is lacking no longer and is in place.

My Administration has made and will continue to make hard decisions. The national leadership shall act as one, with dispatch and with direction.

Just as important, once decisions are made, Government shall stand by them. You can count on our investment policies to be consistent and predictable, and the policy environment a hospitable and investor-friendly playing ground.

So, to all of you, my Malaysian brothers, I say look to the new Philippines, examine the prospects, and you will find the curry delicious and the rice well-cooked.

*Terima kasih, saudara-saudara: Mabuhay.*

*Source: Presidential Museum and Library*

**Speech of President Ramos at the State Dinner in his Honor hosted by President Wee Kim Wee of Singapore**  
**Speech**  
**for**  
**His Excellency Fidel V. Ramos**  
**President of the Philippines**  
**At the State Dinner in his Honor hosted by President Wee Kim Wee of Singapore**

[Delivered on February 11, 1993]

**The Philippines  
and Singapore**

I MAKE this visit to Singapore, first of all, in pursuance of the honored tradition in the Association of Southeast Asian Nations, according to which a new ASEAN head of government calls on his neighbors. In keeping with this practice and tradition, I have placed my visits to ASEAN top priority in the order of my Administration's foreign and economic relations.

This visit to Singapore affirms ASEAN solidarity, the close relations between the Philippines and Singapore, and the enduring friendship between the Filipino and Singaporean peoples. Singapore's role as our leading trading partner among the ASEAN countries and your prompt and generous assistance to the victims of natural disasters in the Philippines are proofs of this.

**Where our relationship stands**

Our visit at this time is more than symbolic in its significance, important though symbols are in the relations between nations. This call on a close neighbor, Mr. President, provides us an opportunity to review where we are today, where our relationship stands, and our place in the world. It gives us a chance to chart the course of our relationship now and for the future, to see how we can work together and with the rest of ASEAN to improve our peoples' lives and to make our region and our planet a better place to live in.

I consider myself fortunate in assuming the leadership of my country now, for a new era has dawned on the world and on our region.

East Asia, reflecting the basic change that the global situation has undergone, is today a region where nations and peoples pursue their security, prosperity and freedom through the ways of peace and cooperation.

In our region, nations no longer seek to enhance their security primarily through alliances with the mighty and the buildup of armaments—as they did only a few years ago. They now turn to consultation and interaction, to regional and bilateral cooperation.

**An era of hope**

Territorial disputes, for the most part, are no longer allowed to stand in the way of mutually beneficial relations. Ancient animosities are now being relegated to where they belong—the background.

Even seemingly intractable contradictions, such as the conflicting claims to the South China Sea, are the subject of dialogue and a determined search for new ways of cooperation. The series of workshops hosted by Indonesia on this subject and the forthcoming working-group meeting in the Philippines on marine science research in the South China Sea are part of this fresh approach.

Nations today appear to look forward to an enduring respite from conflict, suspicion and insecurity. This climate is creating a single-minded pursuit of economic growth and stability, which now takes the place of the sterile

imperatives of ideology. This brings upon us an era of unprecedented opportunity, when political circumstances have provided the framework and the environment for nations to strengthen their economies, improve their people's lives, and expand their people's freedoms, undistracted by other anxieties. It is an era of hope.

This also happens to be an era when nations' pursuit of growth and prosperity demands an unprecedented degree of international and regional cooperation. Nations can no longer pursue their own prosperity all by themselves, much less at the expense of their neighbors.

The complicated processes of modern agricultural and industrial production cannot be confined within a single set of national boundaries. They are so complex and require resources of such variety and volume that no one country can contain and provide all the factors necessary to undertake them. The stages of production transcend political boundaries and seek locations where the factors of production can be most efficiently used, if the resulting output is to be competitive in today's increasingly interconnected markets.

Capital, technology, labor and raw materials thus must be sought where they exist and flow toward where they are needed. Autarky or even the self-reliance of the past is no longer viable in today's world.

### **Economic complementarities**

This is the logic behind the ASEAN Free Trade Area, which our governments, in this very city one year ago, decided to establish. This, too, ought to be the logic underlying Philippine-Singapore relations, if they are to have continued meaning and substance for our peoples.

For if these economic complementarities are evident anywhere, it is in Philippine-Singapore relations. The Philippines' advantage in abundant managerial, technical and other manpower availability, in land and agricultural resources, and in other natural attributes can complement Singapore's edge in science and technology, in management and finance, in services, and in high-technology industries—all for the benefit of both our countries. Each of us can make up for the other's shortages and benefit from the other's abundance.

Such a fruitful partnership need not be limited to the more obvious areas of industrial production. It can and should also profitably apply to such endeavors as medical research, science education, tourism, and defense supply and training.

The advantages of geographic proximity reinforced by our ASEAN umbrella bring the potential of Philippine-Singapore relations to a new era of partnership anchored on synergistic interests and long-standing friendship.

For our part, the Philippines has reached a crucial stage in its pursuit of economic recovery and administrative reform that I can confidently say that we can now be a strong, reliable and profitable partner with which to trade and in which to invest.

We can justly claim success in creating the political and economic climate that favors economic growth and profitable collaboration with our foreign partners.

### **National reconciliation**

We have enhanced our political stability by way of an orderly and peaceful transfer of government power in last year's elections. Through an unprecedented program of national reconciliation, including an amnesty proclamation for those who took up arms against the State, we have neutralized the internal threats to our national security. We are dealing with the problem of crime and corruption with firmness and determination. The Presidency and the Congress are now collaborating much more closely toward policy reform and sustainable development. We have maintained industrial peace.

Starting early this year, we embarked on a massive infrastructure program in the public and private sectors through build-operate-transfer and similar schemes. Our fast-track energy projects will provide an adequate supply of electric power to meet demand by the middle of this year.

We have fully liberalized the rules on foreign exchange and significantly relaxed our investment policies, particularly those on foreign investments. We are breaking down monopolies and crony capitalism. Legislative initiatives are leading to the opening up of our banking system to foreign competition. We have drastically reduced our tariffs on imported goods. We have privatized nearly 350 public companies since 1988, including Government's shares in large State-controlled corporations. Privatization as Government policy is being intensified.

### **Promoting partnership**

Our efforts have already brought encouraging results. Our fiscal deficit has been narrowed considerably, resulting in the dramatic fall of our inflation rate from 20 percent in June 1991 to 8.2 percent at the end of 1992, which is expected to decline further to 7.5 percent this year.

Export earnings and increased inflow of loans and investments have resulted in a balance-of-payments surplus that is reflected in a current level of international reserves two and a half times the 1990 level. Our foreign-debt situation has improved substantially in terms of percentage of GNP, proportion of exports and debt-service ratios.

Our economic growth rate, while still well below those of our partners in ASEAN, is on the uptrend.

Mr. President, we have come to your country to promote the value of partnership between the Philippines and Singapore and within ASEAN. We seek to build with you stronger foundations for cooperation and new bridges of opportunity upon which a stronger partnership can rest.

*Source:* **Presidential Museum and Library**

Ramos, F. V. (1993). *To win the future : people empowerment for national development*. [Manila] : Friends of Steady Eddie.

## **Speech of President Ramos at the 1992 Asian Management Awards**

**Speech  
of  
His Excellency Fidel V. Ramos  
President of the Philippines  
At the 1992 Asian Management Awards**

[Delivered at the Asian Institute of Management, February 18, 1993]

### **Joining in the Pacific Age**

### **East**

### **Asia**

FOR THE PAST 25 years the Asian Institute of Management has been training Asian managers for both private enterprise and the government sector. And for the past three years it has been presenting the Asian Management Awards to outstanding organizations in the region that have significantly contributed to their countries' development.

The last time I was asked to hand out awards by the AIM was in 1990, as your Secretary of National Defense, when I attended the graduation exercises of my son-in-law, who is in the audience tonight. I handed out plaques of appreciation to members of the AIM community who demonstrated courage and steadfastness during the abortive coup of December 1989, which affected the AIM campus and Makati's business district. It is not true, however, that classes continued to be held during the eight days that the rebels held Makati.

### **Socially responsible managers**

I recall this event if only to draw a sharp contrast between the country's present situation and that in late 1989. Indeed, we have gone a long, long way toward achieving political equilibrium and stability—both important requirements for achieving economic growth and progress.

Tonight, we honor seven Philippine organizations and several outstanding individuals whose exemplary management programs and teachings are paragons of excellence. Like their counterparts for these prestigious awards in other participating countries in East Asia, they symbolize not only AIM's but our nation's view of developing competent and socially responsible managers for Asian economies and societies.

### **The coming of the Pacific Age**

It is now an accepted fact that our part of the world is setting the pace for prosperity. While others still suffer from economic stagnation, East Asia continues to grow in such a way that has led many to agree that the first part of the twenty-first century will be known as the Pacific Age. By the turn of the century our region is expected to account for almost half of global commerce. For 1993 alone while the forecast of world economic growth is at an average of 2.3 percent, the prediction for the average growth of Asia's developing nations is about 7 percent, or triple that of the first figure.

In this situation, the Philippines cannot afford to be left behind again. We missed out in the first wave of Asia's rapid economic growth in the late 1960's, which saw the rise of Singapore, Taiwan, Hong Kong and South Korea as economic dragons. We missed out again in the eighties, when Indonesia, Malaysia, Thailand and Southern China moved toward becoming industrializing economies. Now maybe is our last chance to join our neighbors in prosperity. That is why we are determined in the Philippines to achieve vigorous economic growth so that the country may bequeath a legacy of economic sufficiency and prosperity by the time my term as President ends, which coincides with the centennial of Philippine Independence in June 1998.



Given the backdrop of our country's economic situation now, our goals may be considered ambitious, but we have no other alternative except to push them as vigorously and purposefully as we can.

By 1998 our per-capita income should reach U.S. \$1,000 or more from where we are at about U.S. \$730 and GNP growth a year should be at about ten percent in 1998.

We have begun to lay the foundations for achieving these goals. Our efforts at national unity and political stability are by this time well known because we have always said that this is a precondition to our economic recovery. We have reached out to all dissident groups in our society to join us in working for the common good. And we are addressing criminality firmly and frontally in the streets, so our citizenry can live and work in peace. We have also instituted unprecedented policy reforms within the economy in preparation for growth.

The Administration is priming the pump to the tune of at least P60 billion this year to pave the way for a fast-track public infrastructure building program. We are adopting measures that seek to dismantle monopolies and cartels just as we are privatizing the last big corporations from the era of crony capitalism. We have decisively moved to fully deregulate foreign exchange and considerably relax foreign investment regulations. We have been aggressive in our diplomatic and promotional efforts to attract foreign investments, trade and tourism, through visits to our Asian neighbors and the creation of an atmosphere that would be conducive to profitable economic cooperation.

### **Toward a better quality of life**

My recent visits to Thailand, Malaysia and Singapore have generated some P5 billion in investments, trade and employment opportunities. Our tourism industry posted increases in 1992 in visitor arrivals by some 24 percent and in tourist receipts by some 34 percent over that of the year before.

We are establishing regional centers all over the Philippines where investors can be assured of profitable ventures and access to our skilled manpower pool. And we are resolving the critical power shortage as fast as possible to support industrialization and end the inconvenience of the residents of Metro Manila.

The bottom line of all of these initiatives is to create more national and personal wealth that will support the aspirations of our people who hope for a better quality of life. These measures that the Administration has been carrying out have not remained unnoticed. For instance, the London *Economist* group roundtable conference with Philippine officials and business leaders in Manila only last month came up with the following conclusions.

First, there is real leadership and more sense of purpose by the executive branch.

Second, the President has built a team of quality people who share his vision and are able to work together.

Third, there is now an attitudinal change in our country.

And fourth, the present Administration has taken a number of steps that have sent powerful and favorable signals to the world investment community.

### **Toward global competitiveness**

I must emphasize here and now that the private sector carries an equally significant share of the responsibility for our economic growth, especially in promoting more direct foreign investment in our country. We also need the cooperation of our legislative, business and even judicial leaders if the Philippines should become competitive in a world where traditional polarities have become blurred but where new economic relationships are arising.

We still see in our midst many organizations that have insisted that Filipino industrialists be protected from the pressures of foreign competition. In fact, we still have 50-year-old infants in our industrial communities. The protective walls of tariff and subsidy are now crumbling in a new era of intensified intraregional trade. All over

Asia, the era of protectionism is definitely ending. Countries around us have clearly demonstrated that economies develop most rapidly in a liberalized highly competitive environment. This is in fact the rationale for the ASEAN Free Trade Area, or AFTA. The rules of the marketplace are clear, consistent and absolute. In the seventies and the eighties the battle cry was “Innovate or Stagnate!” In this decade of the nanosecond nineties, the watchwords are “Innovate or Perish!”

So, if we seriously want to reduce the distance between us in the Philippines and the tiger economies of our region, our cooperative words should be *focus* and *fast-track*. We need to focus on those industries where we can sustain competitive advantage. And because time is not on our side, we need to work double time and move in a fast-forward mode.

We should, therefore, continue to develop an environment conducive to foreign investment, industrialization and the attainment of world-class competitiveness. Before we can even talk of capitalizing on our distinct competence in certain industries, the more basic question is, are we competitive?

The amount of foreign investments attracted by the country is one important barometer. According to the latest figures of our Board of Investments, aggregate foreign investments during the first five months of this Administration amounted to some \$1.6 billion. This exceeded the total investments registered during the 12 previous months by more than US\$600 million. But we are far from satisfied. We are acutely aware that so much work needs to be done to make the economic playing ground in our country truly competitive and attractive by today’s harsh standards. And I am confident that this is where organizations such as those which our awardees represent can lend their support to the entire effort.

### **Total human development**

Besides global competitiveness our other major thrust for the next five years is total human development.

I am happy to note that AIM has been a significant contributor to the development of our human resources, particularly our economic planners and business managers. As an example in line with the Government’s program to privatize, particularly to convert Camp John Hay in Baguio into a human resource development or HRD center, AIM has entered into a partnership agreement with the Bases Conversion Development Authority (BCDA) to convert the Igorot Lodge at John Hay—the one near Tee No. 18 and Hall No. 1—into an AIM center for its top management development program.

The contemplated state-of-the-art training center by AIM can accommodate 50 to 60 in-house executive trainees. This program will enhance the image of not only John Hay but also AIM and optimize the use of its existing facilities. Indeed, AIM’s example is something similar institutions should emulate. If I am saying so many commercial things about AIM and the BCDA, do not forget I am now the country’s number-one and chief traveling salesman.

### **The Confucian ethic**

Our policies and programs should draw on the distinctive competence of our people to enhance their competitive advantage. For example, we continue to produce some of the best software programmers and engineers in the world who are proficient in English, but we do not develop enough of them. We also have inherited from our forebears that special quality called the Confucian ethic. And this is common to many of the peoples that inhabit Asia and the Pacific. It consists of hard work, patience, thrift, respect for elders, respect for the law and discipline. And so these combined qualities found in the people of our country are in themselves significant, comparative advantages.

We have thus begun to reorient our educational system to greater emphasis on technical, scientific, vocational and communications skills that will enable us to capitalize on what we do best. But just as important as developing distinctive competence is getting our people’s commitment to the demands of national development.

We in Government and those in private enterprise must elicit and inspire that commitment from our people by providing them with opportunities where hard work and sacrifice for the greater good can pay off. In other words, we too must be committed to our people's development. This in fact is what we call the economic empowerment of our people.

But how do we all achieve this?

First, we must believe in ordinary people's capabilities and in their right to take part in the cultivation and reaping of the fruits of development.

Second, we must work and act together toward clear measurable goals leading to prosperity and equity.

Third, we must provide opportunities and support for our young people, small entrepreneurs and industrial pioneers who have the vision and ability larger than the ordinary and who resolve to take the risks required to achieve success.

Fourth, we must cultivate in our political system and bureaucracy the leadership and the value system that demonstrates the dignity inherent in public service as well as in the private sector. And among those values that we should always hold high is social responsibility.

### **Listen to the people**

Fifth, let us listen to our people. Like the most successful corporate enterprises, the most progressive nations seem to be those that listen to their people and act on their people's recommendations. This is the essence of people empowerment on which principle my Administration is anchored.

As your Chief Executive, I will look frequently for examples such as those provided by the outstanding organizations you have commended tonight. In a very meaningful way, these organizations and AIM itself demonstrate what we Filipinos are capable of as a nation and as an empowered people.

*Source:* **Presidential Museum and Library**

Ramos, F. V. (1993). *A call to duty : citizenship and civic responsibility in a third world democracy*. [Manila] : Friends of Steady Eddie.

**OFFICIAL GAZETTE OF THE REPUBLIC OF THE PHILIPPINES**

**ATIONAL GOVERNMENT PORTAL – EDITED AT THE OFFICE OF THE PRESIDENT OF THE  
PHILIPPINES UNDER COMMONWEALTH ACT NO. 638**

**Speech of President Ramos on the Seventh EDSA Anniversary**

**Speech  
of  
His Excellency Fidel V. Ramos  
President of the Philippines  
During the Seventh EDSA Anniversary**

[Delivered at EDSA Shrine, February 25, 1993]

**The spirit of EDSA**

THIS IS the first time I celebrate EDSA as President. Seven years after those fateful days on February 22-25, 1986, I stand before you—a servant of the Filipino people and your elected leader—to pledge my Presidency to nourish the triumph of democracy, to bring forth hope and to reclaim our vision of a revitalized and progressive Philippines.

Those of us who are veterans of the EDSA revolution remember the feeling of unity and patriotism which released this country from the bondage of repression and fear.

The spirit of EDSA emanates from the Filipino's act of selfless giving—of believing that change—though necessary—should be achieved through peaceful and nonviolent means.

There are those who continue to be cynical of the EDSA experience.

**Remember EDSA**

They say that the magic of EDSA has been lost. Let me now reach out to them in their narrow and antiquated attitudes. I call on them to join in our people's crusade and our aspiration to move our country forward.

EDSA is still very much alive in the hearts of many of us. Like a glowing ember, EDSA continues to provide so many people with inspiration as we tackle the business of recovery, growth and national development. What is needed is to fan the embers so that the flames will brighten and live. And this is precisely the reason for this gathering. We are gathered here so that we may remember and live the spirit of EDSA.

My countrymen, only those who were too young to remember or who are short-sighted could fail to grasp the significance of EDSA. But for those of us who staked our lives and our futures for the cause of freedom, we can never abandon its meaning nor ever forget what EDSA stands for.

Yes, we won the battle at EDSA in February 1986, but we have yet to win, through our united effort, the war against poverty, inequity and injustice.

The three great branches of government—the executive, the legislature and the judiciary—must themselves tread the road of unity with our people. They must commit themselves to share—not just political power—but political responsibility. Only then can they begin to reflect and support the aspirations of our national community.

**Redefining people power**

The people power which won the day for us at EDSA should now be redefined to enable us to face up to adversaries and tyrannies even more oppressive than the one we overthrew in 1986. Now we must address mass-poverty, crime, injustice, inequality and underdevelopment.

Once again we must stand up to the challenge—and be heroes to ourselves and to our children. At EDSA we won our political freedom. Now we must work to win our economic liberation.

Seven years ago we caught a glimpse of what we Filipinos could become—once we set ourselves to accomplish something we truly believe in.

Together we broke the back of tyranny. Now we must move the nation forward and upward—to the heights.

To become the nation we aspire to become, we must recapture that spirit and be those Filipinos again—one nation, one vision, one voice.

To redeem the promise of EDSA, we must link arms and form a powerful human chain for national and individual advancement.

When I assumed the Presidency, I declared a total war against poverty. The crusade against this formidable enemy continues to be fought to this day. We have made much headway through our individual enterprise and collective hard work and perseverance.

Yet, many among us continue to go around in endless circles. We have not fully benefited from gains we have made, because insurgency, criminality, graft and corruption, injustice and apathy continue to thrive, despite our efforts to quell them.

### **Winning the war against poverty**

This wasteful dissipation of our time, energies and resources must stop. The only way we can win this war is by consolidating our strength as a nation against the barriers to our advancement. We have learned how people power could turn the tides of fate in our favor. This is the patrimony of EDSA.

Filipino competitiveness is a major strategy we are currently pursuing to realize our economic goals. We need to make world-class products with world-class human talent. By expanding markets and opportunities, we shall be assured of more jobs, higher labor skills, managerial techniques and other innovations that will benefit our industries and our people.

We must remove the blinders that force us to look inward. We must view the world in its entirety and find our rightful place in the global scheme of things.

We are pushing change of reform. But let this be for the benefit of all Filipinos. While there is merit in being hopeful about the changes we can bring about, there is even more benefit in being hopeful and hard-working. Let us approach our problems in a more pragmatic and realistic way. As we pray, we must perform. As we perform, we must pray.

We dream of a better Philippines. We want a better Philippines for this generation and for those to follow. We long to live in the comfort and protection of democracy, peace and sufficiency. Their enemies are poverty, divisiveness, greed, injustice and criminality. These enemies we must attack relentlessly.

Our vision is of a lasting victory against poverty. Our vision is of an empowered citizenry, secure in its future, building together the peace and democracy.

To achieve our vision of sufficiency, modernization and global excellence we have prepared the path to its realization. The Medium-term Philippine Development Plan will be our development road map for the next six years. Henceforth, our battle cry shall be “Philippines 2000!”

This plan, shaped through our revered democratic processes, present realities and future opportunities, is your plan, our plan. It reflects our common dreams and aspirations. It is the spirit of EDSA captured in far-ranging documents which objectify our vision of a better Philippines.

Let me then present to you this plan, which was fashioned with the interest of the Filipino masses at heart, that we may see the dawning of a new day and a new beginning for all.

### **Economic empowerment of the people**

The essential ingredient that could spell the success or failure of this plan is people. For the plan is essentially designed to be carried out by the very people whom it will benefit. It is a plan of the people, for the people, by the people. This is democracy in action. This is people power in motion. The plan is anchored on the concept of people working together to make their lives, their livelihoods and their futures secure, productive and globally competitive.

I stress the need for the Filipino to be united in order to be globally competitive. *Wala tayong dapat ipangamba sa layunin nating ito. Mayaman ang Pilipino sa talino at lakas. Kailangan lamang niya ng tiwala sa sarili at ng mga tamang programa upang magawa niya ang makipagsabayan sa mauunlad no bansa. Alisin natin sa ating mga isipan ang paghintay sa tulong ng iba. Walang makakapag-unlad sa ating kalagayan kundi tayong mga Pilipino lamang.*

We have to prepare ourselves, our agriculture and our industries for the rigors of international competition. We must be able to turn out world-class products and services that can profitably compete with those of the rest of the world. Only by so doing can we lift up the common life and unshackle ourselves from the chains of poverty.

Our quest for international competitiveness requires that we focus on the development of our human resources. Education, training, improved basic services in health and nutrition, improved access to productive resources, the spread of technology and other people-focused activities, are empowerment in its fullest economic, social and political aspects.

### **Planting the seeds of democracy**

Together we planted the seeds of democracy. But freedom rests on peace, unity and trust.

The story of EDSA must continue to be written every day with the same unfaltering wisdom of faith, performance and peace.

Rebuilding our country, our hopes and our future demands courage and faith in the face of constant challenge. Together let us find the courage and the faith to realize the destined greatness of this nation.

EDSA taught us how strong we can be—together. It taught us that democracy is stronger than tyranny. It made us proud to be Filipinos.

But let us perform as we pray, and pray as we perform. Let the spirit of EDSA live on!

*Source:* **Presidential Museum and Library**

Ramos, F. V. (1993). *A call to duty : citizenship and civic responsibility in a third world democracy*. [Manila] : Friends of Steady Eddie.



**Speech of President Ramos to the Philippines-Japan Society, February 25, 1993**

**Speech  
of  
His Excellency Fidel V. Ramos  
President of the Philippines  
To the Philippines-Japan Society**

*[Released on February 25, 1993]*

**Japan's  
of excellence**

**culture**

THE ACTIVITIES and achievements of the Philippines-Japan Society form a continuing record of how, over time and despite changing politics and economics and our changing relations since just before World War II, two nations, the Philippines and Japan, can sustain their deep-rooted fraternal ties. These ties are all the more crucial today, in a world threatened by fragmentation along ethnic and racial lines, and by the increasing economic competition between nations, rich and poor.

**Keeping national identities intact**

How should Japan and the Philippines respond to this time of opportunity and challenge? And how can we best manage our relationship in order to advance our hopes and aspirations?

If Japanese friendship with the Philippines has been strong and full of meaning, over the last 25 or 30 or 35 years or so, it is because we have kept our national identities intact, even as we have worked to reach out to each other and to learn more about each other. We have not been imprisoned by our experiences during the war, but rather we have found greater meaning in our older ties in history and in the profound possibilities of the future.

Consider, for instance, when Legazpi came to the Philippines after Magellan in 1565, he already saw ample evidence of Filipinos trading with Japan. Over the next centuries, that commerce flourished, and along with it a mutual appreciation of our cultures, which grew and grew.

It was Japan that Dr. Jose Rizal spoke of warmly in 1888 during a six-week visit there, when he said that he was impressed by the discipline, the honesty and industriousness of the Japanese people. Rizal knew that Japan had only recently been compelled by the Western powers to open up its trade. But he observed that the Japanese, turning adversity into opportunity, had devoted themselves to modernization.

This, too, was the Japan where Mariano Ponce—one of our national heroes who along with Rizal and Marcelo H. del Pilar led the propaganda movement in Spain—went on a mission to solicit aid and recognition for our new republic, which was then at war with the Americans. In Yokohama, Ponce became friends with another expatriate revolutionary, the Chinese Dr. Sun Yat-sen, who helped him buy arms for the Filipino army. Today we retain a remarkable photograph of these two men, with Sun Yat-sen in a Western suit and Mariano Ponce, interestingly enough, in a Japanese kimono. And so, even as it wrestled with its own internal conflicts, Japan provided a haven for other Asians fired with freedom during those days.

**Esteem for Japan's achievements**

A more obscure account of contact between Japan and the Philippines at this moment of revolution in our country is recorded by our historians. In 1896 Andres Bonifacio and Emilio Jacinto, among other Filipino revolutionaries, met with a visiting Japanese admiral in Manila to solicit aid for the revolution. Jacinto expressed his belief that as France did for America, so could Japan help the Philippines gain its independence.



We realize, of course, that nothing material came out of this episode, and perhaps just as well. But it does underscore the high esteem each Filipino felt for the Japanese even in those days. More than once, we have looked to you, our friends from Japan, for help and inspiration. And today, although vastly different in development, we can look to Japan again for an example of success which it achieved in the face of seemingly insurmountable odds.

To say this is not to gloss over the agony of World War II for both our countries. That was a war in which we sacrificed the finest of our youth, ruined the beauty of our land and spent untold resources. And when it was over, no true victors were to be found, no winners in the devastating losses we all had to live with. No victors, but only the gains of the spirit—in the indomitable will of our people to revive themselves, and to gain in peace what could not be achieved in battle.

Over the half-century since, we have recovered something far more precious than our material possessions. We have recovered, together with Japan, the familiarity of friends, the good will of old neighbors, the understanding and compassion of human beings for one another.

### **Disparities between two nations**

But even as we speak today as brothers in the same Asian family, the disparities in our situations are only too apparent. Japan today is a titan, and the Philippines is no more than a developing country. Japan enjoys an overwhelming trade surplus with the Philippines, and the material evidence of the Japanese presence in our economy is everywhere to be found. Japan has become one of the most generous donors of development assistance to the Philippines.

I draw attention to these facts neither to demoralize our own hard-working people and entrepreneurs nor to diminish our accomplishments. I mean rather to emphasize the need for us to understand the reasons for Japan's enduring achievements, so that we can perform the same miracle for ourselves and for our country.

Some of us will say that Japan has gotten to where it is because of American postwar munificence. Indeed, generous American assistance hastened Japanese reconstruction. But the most important reason was the Japanese themselves, and what they did with that American investment.

Just as they did after Commodore Perry's incursion in 1854, the Japanese in 1945, rather than brood on their wartime defeat, focused on rebuilding their economy. And this they achieved, in spite of and because of their own shortage of natural resources, by efficiently producing goods of impeccable quality, which, of course, required the establishment of industrial and trading complexes to produce and market them, and, just as important, a positive commitment of support from the Japanese government and Japanese labor.

### **Learning from the Japanese ethos**

This cooperation implies a national culture that lives on in Japan, of excellence and discipline that would engage the full faculties of a nation to achieve a national goal, for the benefit of the nation rather than just a few of its elite. Such a culture is what we Filipinos must develop for ourselves—in industry as well as in our daily lives.

We have much to learn from Japan's ethos of excellence. And I speak here not only of the means of progress, but of the attitudes and values that make for those means. We can import all the machines and the technologies that we want and can afford. But we cannot possibly import, wholesale, the mind-set, the discipline and the enthusiasm for better things that have lifted Japan and the Japanese to where they are now.

We may borrow and acknowledge the means from such successful models as Japan. But ultimately the desire and the will to excel must come from within the Filipino himself, for Filipino goals.

As has often been said, modern Japan in its formative years borrowed much from the West—its army from Germany, its navy from Britain, its Constitution from Germany and Austria, and its economic system from the United States. But we are reminded that the guiding spirit and motives behind these remain uniquely Japanese.

And so we need to ask ourselves today of the Filipino: What can we give that would bring profit and distinction not only to himself, but to the nation as well, that would distinguish the Filipino handiwork by the impress of quality?

These are questions of immediate moment for our entrepreneurs, workers, educators and policy-makers. And in answering them, we define as well that culture on which the material goals of our development plans and programs depend for their success.

And the answers, I am sure, will implicate the values and attitudes that true achievers everywhere possess, whether they be Japanese, Germans, Singaporeans or Chinese. And these are honesty, discipline, industriousness and perseverance, foresight and innovation, and the willingness to sacrifice short-term profit for long-term gain.

### **Recognizing our own culture**

All in all, the Japanese model can only be just that: a concrete example, a guide, an inspiration, a model. But we will need to look into and recognize the positive nuances of our own national culture, and bring them into our offices, workshops and assembly lines. Among these, of course, is the Filipino value of *delicadeza*, which is really a form of command responsibility. And so we say: People who fail at their jobs should quit, to make way for others who can do better. At the same time, we must learn to reject self-defeating attitudes and ways of doing business, such as the *padrino* or the *lagay* system, which apart from their moral damage only perpetuate inefficiency. Let us encourage and reward achievement; punish wrongdoing; minimize waste; exalt the dignity of labor and the pursuit of excellence. To these purposes, I commit my Administration, as I trust that the captains of industry among you, our Filipino members, will run your ships and crews.

The point that must never be forgotten is that there are many ways wherein our relationship, the friendship between Japan and the Philippines, can grow, not apart but together.

Japan, whose economic might rests on constant and beneficial contact with the world, has known this for two generations now. We Filipinos are only beginning to learn the nature of this kind of diplomacy—that besides hurdling the problems of politics, diplomacy must be and can be used to achieve economic and social goals; that in the end, economic progress and mutual benefit make the best of neighbors.

### **Examining the opportunities before us**

Hence it is fitting that we should look carefully into the new possibilities offered by the historic friendship of the Philippines and Japan. We should consider the strengths of our relationships and see how we can foster and enhance them. Where there are weaknesses and imbalances, we should strive to remove and correct them. And whenever opportunities exist to help each other, we must seize them.

Private societies and organizations like the Philippines-Japan Society are our essential tools for examining these opportunities before us. For without them, our governments would never fully know how and where to steer our relationship. Being free societies, we depend a lot on our peoples and our fraternal organizations to realize truly the meaning of cooperation and friendship.

I salute what your Society has done these past 23 years for Japanese-Filipino friendship. And I look forward to all that you can do to help bring Philippines-Japan friendship fruitfully into the next century.

*Source:* **Presidential Museum and Library**

**Speech of President Ramos on the Department of Health's Immunization Day and the Department of Social Welfare and Development's Consultation on Child Welfare Services Speech**  
**of**  
**His Excellency Fidel V. Ramos**  
**President of the Philippines**  
**On the Department of Health's Immunization Day and the Department of Social Welfare and Development's Consultation on Child Welfare Services**

[Delivered at the Heroes' Hall, Malacañang, March 3, 1993]

**The child cannot wait**

THIS MORNING we witness the celebration of three occasions—the launching of National Immunization Day; the awards to outstanding mother- and baby-friendly hospitals, as well as the awards to the winner of the iodine deficiency eradication campaign; and the launching of the global consultation on child-welfare services.

Let me add my personal as well as our Government's official welcome, as the housekeeper in this hall, to Dr. James Grant, the executive director of the UNICEF, and other distinguished guests. Let me thank Dr. Grant for traveling this far to bestow these UNICEF awards on selected Philippine hospitals. I assure you, Dr. Grant, that we will not refuse any grant from you.

**Mother- and child-friendly**

I am told by Health Secretary Juan Flavio that 102 Philippine hospitals are receiving these awards, supposed to be the largest number in the world. Well, this should not be too surprising to all of us, because not just our hospitals but the whole country is mother- and child-friendly.

Let me commend Dr. Flavio for this organizational excitement—this masterstroke, so to speak, he is attempting—that of immunizing nine million Filipino children simultaneously and not just once but twice a year for the next three years. And certainly, Secretary Corason de Leon of Social Welfare and Development also should be commended for her efforts in carrying out our programs for child welfare.

Health care is one of my Government's most urgent concerns and this arises from our basic program of empowering the people.

The Filipino child is at the same time the most precious resource and its most vulnerable citizen.

While we are determined to do all we can, and a large part of our meager budget now goes to public welfare, especially health services, we also realize that we cannot ever hope to have enough, not until economic growth is much higher and more consistent than it is now.

**The new tyranny**

There are simply not enough hands, not enough resources, but we can go much farther than we have done so far if we make up our mind to use those scarce resources as efficiently and as wisely as we can.

If poverty is the new tyranny, then the oppression falls most heavily on the Filipino child. The deprivation in which so many of our young people exist is self-evident to anyone who has eyes to see in Metro Manila, as well as in the countryside.

The United Nations Development Program in its human development report for 1992 summarizes in cold statistics the extent of the Philippine problem.

The Philippine figures for 1990 are: Children dying before the age of five, 140,000; malnourished children under five, 3,100,000; children not in primary or secondary schools, half a million.

And furthermore, according to UNICEF, there are some 50,000 streetchildren in Metro Manila, of whom 20,000 are child prostitutes. I consider many of these figures not exaggerated but, indeed, conservative. And I am prepared to assume the situation is even worse than the figures indicate.

We are a country of the young—53 percent of all Filipinos are below 20 years old, 40 percent are under 14 years and 20 percent are below seven. That we are such a country is both a burden and a hope. A burden because a comparatively small number of adults must nurture so many young people. But they are a hope because of the explosion of social and economic energy that we can expect in the not-too-distant future, when this population bulge comes of age.

In macroeconomic terms, my Government has decided how to deal with deprivation in our national society. And this is to make an all-out direct attack on Philippine poverty.

How do we propose to do this? To start with, we are compelling all the agencies of Government to take a pro-poor bias. We insist that economic policy in the large must become sensitive to the well-being of the majority among us who are without the means to lead decent and useful lives.

To start with, we have realigned the budget to favor productivity and services in our poorest regions, provinces, cities and towns. And we have identified 19 out of our 78 provinces as among the poorest which deserve special National Government support.

#### **‘Positive discrimination’**

I am thankful that I see here many of our governors and mayors who are part of that program. And we shall continue to count on them for our massive program to alleviate poverty.

To a great extent, these communities are poor because they have had less access than the richer regions to basic Government services. We are therefore redressing this historical neglect with what I call “positive discrimination.”

We shall be allocating to these poor regions and provinces more than their usual share of elementary schools, hospitals and health clinics, farm-to-market roads, irrigation systems and other basic infrastructure or services.

We shall also see to it that they have increasing access to land, credit and technology.

And we shall be encouraging towns and barangays with large populations of the poor to intensify community action by promoting programs that Government and the private sector can support with funds and expertise.

Government shall also be setting itself not just theoretical but measurable standards for gauging its success in easing poverty year after year—in terms of fewer malnourished children and lower infant mortality; lower unemployment rates; rising local incomes; fewer index crimes; easier access to justice, and so forth.

We are concerned especially about children who are very vulnerable. These are children in the areas where insurgency is still present; children who are part of indigenous cultural communities; children who work to survive; children who are homeless; children who are exploited by adults; children who are displaced by natural calamities.

#### **Equalizing opportunities for survival**

Disparities between these children and children who have more in life must be bridged, and immunization and health care are some of the concrete actions to equalize opportunities for survival for all Filipino children. For in the end the value of what we seek to do for our country will be measured by our capacity to transform our concern and

love for our children into affirmative action. This is one reason why we welcome so much the global consultation on child-welfare services taking place in the Philippines.

In support of the U.N. International Convention on the Rights of the Child, which we ratified in 1990, we drew up the Philippine Plan of Action for Children in 1992 so that we could, among others, chart our directions in the propagation of the basic rights of the child: the right to survival; the right to development; the right to protection; and the right to participation.

We must consider the pressures that industrialization, urbanization, technological change, new gender roles and changing values exert on the stability of the family. Of serious concern is the child whose biological parents cannot take care of him or her. The Government must step into this problem to provide an alternative or substitute parental care such as adoption or foster care.

My sister-in-law, Mrs. Ramos's younger sister, Linda Martinez McCabe, was a member of the welcome house of Pennsylvania. And on her journeys to and from the Philippines to the U.S., she used to place temporarily in our home children she was escorting to the U.S. en route to their adoptive families. And so the First Lady and I know firsthand the kind of second chance that intercountry adoption can do for children without families of their own.

As for National Immunization Day, it is our way of saying that all Filipino children deserve our love, our concern and our urgent attention.

On these two days this year, on April 21 and on May 19, nine million children under five years old will be inoculated simultaneously—all on the same day, against the common diseases that kill them—polio, measles, tuberculosis, diphtheria, whooping cough and tetanus.

### **National Immunization Days**

I commit our Government's full support to the Department of Health's National Immunization Days and the Consultation on Child Welfare Services sponsored by the Department of Social Welfare and Development. And so I would like to announce to you that I have already signed—I will not sign it in your presence, because I'll just issue you a xerox copy—this proclamation declaring April 21 and May 19 of this year and the third Wednesday of January and February for two years thereafter as National Immunization Days and designating the Department of Health as the lead agency to coordinate all Government efforts and private efforts for such days.

And so to provide support for this lead agency, I hereby direct the relevant Government line agencies—the Departments of Education, Culture and Sports, of Interior and Local Government, of National Defense, and of Social Welfare and Development—to support the Department of Health in this campaign and to devise a plan of action in collaboration with the private sector for immediate implementation, in preparation for National Immunization Days for all Filipino children.

In support of the global consultation on child-welfare services, I hereby direct our Presidential legislative liaison officer to submit immediately to me his recommendations on the viability of certifying the bill on intercountry adoption of Filipino children as a priority Administration bill.

### **The child cannot speak**

And lastly, for the benefit of our Local Government officials, the governors, their vice-governors, the members of the provincial board, the mayors, their vice-mayors and the members of our municipal councils and all others at Local Government level who are participating in this twin launching, may I remind you once more that these programs are part of the Administration's total vision to move forward as an economically-sound and morally-healthy nation. Under the Local Government Code your responsibility and role in protecting the Filipino child by helping eradicate children's diseases are clearly defined.

I expect all of you to support all the related and supportive programs to our immunization and child-welfare programs. We have so much to do together—and I ask all of you to give all of your moral support and your wholehearted help for this program. The child cannot speak—he cannot act for himself. He has not lived long enough to vote—only long enough to starve and to be neglected.

The politician with his eye on re-election—and the big-time official with plenty of important plans on his minds—may not hear the child’s weak and tiny cries. Small children need big friends to speak up for them. According to the Chilean poet Gabriela Mistral, “The child cannot wait. His name is Today.”

Your job and mine—our work together—is to make sure that there is a tomorrow—a happier tomorrow for all of our country’s children. By empowering them, we empower ourselves, the Filipino people.

*Source:* **Presidential Museum and Library**

Ramos, F. V. (1993). *A call to duty : citizenship and civic responsibility in a third world democracy*. [Manila] : Friends of Steady Eddie.

**NATIONAL GOVERNMENT PORTAL – EDITED AT THE OFFICE OF THE PRESIDENT OF THE  
PHILIPPINES UNDER COMMONWEALTH ACT NO. 638**

**Speech of President Ramos on the Scout Bronze Wolf Award**

**Speech  
of  
His Excellency Fidel V. Ramos  
President of the Philippines  
On the Scout Bronze Wolf Award**

[Delivered at the Heroes' Hall, Malacañang, March 8, 1993]

**Good  
the social purpose**

**deeds**

**and**

PEOPLE'S MOTIVES are not always what they appear to be. For instance, there was this very nice little boy in Boy Scout uniform who helped a nun cross the street. He was very solicitous, guiding her carefully through traffic. And he gave her a smart Boy Scout salute when they reached the other side.

"Thank you very much, young man," said the very impressed nun.

"Oh, that's all right," said the scout. "Any friend of Batman is a friend of mine."

Of course we can all overdo this-helping-a-little-lady-cross-the-street good deed. This other Boy Scout showed up at the troop meeting with a black eye. When his scoutmaster asked him what had happened, he replied he had tried to help a little old lady cross the street.

"How in the world," asked the scoutmaster, "could you get a black eye doing that?" To which the scout replied, "she didn't want to go."

**An education for life**

Despite occasional setbacks like that, scouting is fun with a purpose. It is an education for life. And I am greatly pleased that the scout movement is so vigorous in the Philippines.

Although scouting is both nonpolitical and nongovernment, it complements my Government's efforts to empower ordinary people so that they can take control of their lives.

Development cannot happen for all our people without their participation. We mean to unleash the dormant energies of ordinary Filipinos—especially young Filipinos—by encouraging them to band together in groups that will pursue their collective interests.

Empowerment entails ordinary people making personal commitments—gathering together to learn to work in small groups and develop leadership, group skills and individual responsibility.

This is also scouting's working method. We intend to borrow some of scouting's philosophies and its techniques to empower our young people.

**A revolutionary force**

In a country of the young—as we are—young people can be a decisive—even a revolutionary—force. That idealism, that sense of sacrifice—that social dimension to their code of living—we are channeling to creative purposes: to make the economy grow, to generate a new kind of politics, to promote social equality and to protect the integrity of our natural world.

This is why scouting is integral to our education system. Our Secretary of Education is a mandated member of the Boy Scouts of the Philippines. I assure you all who care for scouting in this country that my Government shall continue giving our scout movement all the support it needs to expand and to grow.

*Source:* **Presidential Museum and Library**

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**NATIONAL GOVERNMENT PORTAL – EDITED AT THE OFFICE OF THE PRESIDENT OF THE PHILIPPINES UNDER COMMONWEALTH ACT NO. 638**

**Speech of President Ramos during the International Women's Day and National Women's Day**

**Speech  
of  
His Excellency Fidel V. Ramos  
President of the Philippines  
During the International Women's Day and National Women's Day**

[Delivered at the Heroes' Hall, Malacañang, March 8, 1993]

**The rights of women**

OUR CELEBRATION dates back to a very emotional day in March 1911, when thousands of people marched in silence to bury 146 female textile workers of the Triangle Shirtwaist Company in New York. The women who died and the women who later marched in outrage and sympathy could not at that time vote; neither could they hold public office. They could not even own property, and their career opportunities were limited to menial work in sweatshops that were also firetraps. Much, of course, has changed since that horrible Triangle fire in New York 82 years ago. Women have come a long way in their struggle for equal rights. And in the process, they and the men who listened to them, worked with them and supported them, have humanized modern society and have opened it up to those who, like the women of old, have limited claims for their rights.

**Public awareness of women's rights**

I refer to the poor, the handicapped, the rural people, minorities and children. By upholding the rights of women, their advocates made us also aware of the rights of other marginalized sectors in our society. Here in the Philippines, women have led the march toward a greater level and a greater status for themselves. And I dare say that the Filipino women have made their mark in the international arena in fighting for women's rights.

We must continue to build on these gains, we must still increase public awareness of women's rights in particular and of people's rights as a whole. And I am happy that our women public officials have taken the lead in this matter. And we see before us an entire array of outstanding Filipino women in officialdom.

In 1988 President Corazón C. Aquino issued Proclamation 224, which declared the first week of March of every year as Women's Week and March 28, 1988, and every year thereafter as Women's Rights and International Peace Day. An initiative from the late sectoral representative for women, Estelita Juco, resulted in Proclamation 227, which provides for the observance of March as Women's Role in History Month. The objective was to make all members of Congress take steps to discover the unsung heroes of their districts, the unsung heroes among the womenfolk in our communities.

In 1990 Representative María Consuelo Puyat Reyes and Senator Santanina Rasul helped push Republic Act 6949, declaring March 8 of every year, among others, as a special working holiday to be known as National Women's Day.

**Legislating National Women's Day**

The Philippines was the first country in the world to legislate a National Women's Day. This law not only allows us to celebrate Women's Day but also obligates employers to allow female workers to attend or join celebrations wherever these are found.

Increasing public awareness of women's rights is only one aspect of empowering Filipino women. At the same time and even more important, we have taken direct steps to advance their welfare.

During the presidential campaign, I signed a covenant with women, authored by Imelda Nicolas of the National Commission on the Role of Filipino Women, which bound me to give priority to women's needs and interests. The idea was to create a level playing field for men and women in all sectors of society. Equal opportunities bring more women into the mainstream of development. And when it comes to equal opportunities, I consider myself living proof of my covenant with women. My wife, Ming, has always earned more than I have ever earned. And I am always proud to admit this.

One of my first meetings when I assumed the Presidency was with the National Commission on the Role of Filipino Women. I wanted to find out how my Administration could help advance the cause of women. In particular, I asked the National Commission to monitor my Administration's economic planning and to make sure that our Medium-term Philippine Development Plan for 1993-98 incorporated gender concerns in all these strategies. This in effect enhances the Philippine Development Plan for women set up during the Aquino Administration by your National Commission under its chairperson Senator Leticia Ramos Shahani to influence that Administration's national planning processes.

### **Pushing gender concerns**

Under Executive Order 348, the Commission was mandated to create institutional mechanisms in all Government offices to see to it that national plans for women's development are carried out. It was also directed to provide training of gender development in the bureaucracy.

Let me put on record that the passage of Republic Act 7192, sponsored by Senator Rasul and former Congressman, now Senator Raul Roco, adds additional clout to the Office of the President in pushing gender concerns especially in the development programs and projects of Government. To give teeth to this new law, I approved on November 18, 1992, the implementing regulations for Sections 2, 3 and 4 of Republic Act 7192.

These have been published largely through the efforts of the National Commission on the Role of Filipino Women (NCRFW) and have been disseminated for implementation to Government offices. These guidelines were the subject of many discussions among NEDA officials and staff as well as representatives from other Government agencies and the women's movement and other concerned NGO'S in our communities.

There have been positive developments since we released these implementing guidelines. The Home Development Mutual Fund, for instance, has agreed to provide coverage for PAG-IBIG members who are managing households on a full-time basis.

### **Directives**

The Government Service Insurance System and the Social Security System have also started formulating similar regulations. Now that we have the details to backstop our law, I hereby direct the NCRFW and NEDA to require other Government agencies to carry out this law and to put in place a reporting mechanism to Congress.

I also direct the Department of Budget and Management to consult with NEDA and the NCRFW on possible strategies to incorporate the budgetary requirements to implement R.A. 7192. In addition to this, I am sending out today directives to various officials of Government to carry out special concerns of the NCRFW.

First of all, a directive to the chief of the Philippine National Police and to the NCRFW itself for the establishment of women's desks in priority areas starting in our police stations.

A directive to the Secretary of Labor and Employment, Nieves Confesor, for the intensified protection of our women overseas contract workers. And to set priority on the assignment of women attachés to countries where the majority of Filipino overseas contract workers are women.

A directive to Agrarian Reform Secretary Ernesto Garilao to carry out the CARP especially in land acquisition and land distribution and to extend assistance to certain special groups that have been very effective in carrying out CARP. To start with, the Cabapa National Council in Lubao, Pampanga, that is in the forefront of the resolution of land disputes and problems related to land grabbing.

A directive to all livelihood implementing agencies, which includes five departments of Government and two Government corporations. And this is to enhance access of small- and medium-scale women entrepreneurs to livelihood programs.

As you know, the Magna Carta for small- and medium-scale entrepreneurs, authored by Senator Leticia Ramos Shahani, has been carried out by establishing a small business guarantee and finance corporation, and the Guarantee Fund is now very active because of the access of small- and medium-scale entrepreneurs to easier credit.

And a directive to the director general of the Kabisig people's movement to work with the media especially in regard to the branch of Government to promote decent and wholesome entertainment to be publicized in the media, in line with the moral recovery program of the Government, of which Kabisig is the principal action agency.

Last but not the least, the provision of health services for the urban poor, again giving intensified focus on the health of women and children. This is addressed to Secretary Juan Flavio of the Department of Health.

All of these directives have a target date of March 31 this year to submit progress reports on ongoing programs.

### **Celebrating women's rights**

The rights of women are founded not on the natural fact that they are supposed to be the weaker sex (although in my household, I am reminded constantly that this is otherwise) but on the fact that all human beings have inalienable rights, the rights of individuals to grow out of their moral stature.

And as persons have the same moral nature and moral stature, they do essentially have the same rights.

The mere circumstance of sex does not give to men rights and responsibilities greater than those of women.

On this day, therefore, International Women's Day and Philippine Women's Day, I ask all of you, men and women, to help me fulfill the commitment that this Administration has made for the welfare of all Filipinos, especially those of the marginalized sectors of which the women are in the majority. We have gone a long way from the sweatshops of old. Today we recognize, uphold and celebrate women's rights. But our quest to realize these rights to improve the access of women to quality education, good health, equal opportunities and an efficient future continues with undiminished commitment.

*Source:* **Presidential Museum and Library**

Ramos, F. V. (1993). *A call to duty : citizenship and civic responsibility in a third world democracy*. [Manila] : Friends of Steady Eddie.

**NATIONAL GOVERNMENT PORTAL – EDITED AT THE OFFICE OF THE PRESIDENT OF THE  
PHILIPPINES UNDER COMMONWEALTH ACT NO. 638**

**Excerpts from a Speech of President Ramos during a visit to Batanes**

**Excerpts from a Speech  
of  
His Excellency Fidel V. Ramos  
President of the Philippines  
During a visit to Batanes**

[Released on March 18, 1993]

**The final frontier**

BATANES is the final frontier of the Philippines. Its isolation from the Luzon mainland made it so. And in its isolation it has remained more pristine than our cities. Yet, in its utmost simplicity and tranquility, Batanes is enviable. Here, the virtues of honesty, unity, fortitude and industry have found haven among a people who have persevered and found strength in themselves. These lessons of hope teach us to go back to the basics—concern for others, piety, perseverance, and trust in mankind.

Although it is naive to think that we can bring back to the cities the same unspoiled outlook of the people of Batanes, it is not unreasonable to hope that we can learn and live even just a fraction of their ways. For they hold the key to our growth, not by their modern technology but by the way they lead their lives.

As we contemplate preserving much of Batanes' pristine state, I am committed to provide the infrastructures and institutions of development that would help ease the plight of the people in this island province. . . .

We are pushing for the development of Batanes because we believe in the vast potential it offers. Batanes is at the northernmost tip of the Philippine archipelago and the closest gateway to our neighboring Asian countries, particularly Taiwan. If it is equipped with modern facilities, Batanes can offer a viable port of commerce and trade for us in our dealings with our neighboring dragon economies.

As we plan to modernize Batanes, we are also addressing its people's immediate needs—for land, schoolbuildings and other basic services.

I do not believe that the people of Batanes want to remain in constant poverty, to be left out of development while the rest of the country progresses. We share a common heritage. We dream of reaching the heights of development long due our people. And that development should also benefit the people of Batanes.

Our choice then is progress—where the virtues of honesty, unity, fortitude and industry remain a part of our lives.

You need not fear the onslaught of change, for your heritage has made you strong and will carry you onward as you deal with the challenges of development. . . .

Excerpts from a speech given during  
a visit to Batanes, March 18, 1993.

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**Speech of President Ramos at a meeting with the Rotary Club of Manila**

**Speech  
of  
His Excellency Fidel V. Ramos  
President of the Philippines  
At a meeting with the Rotary Club of Manila**

[Released on March 19, 1993]

**Turning the wheel  
of growth**

I ACCEPT with pride the honor of “patron of Rotary in the Philippines” that you have conferred on me. What makes this title special is that it comes from fellow members of the Philippine Rotary with whom I share ideals for our country and our people.

We Rotarians recognize that each person is a special human being, and that the Rotarian may well be among the best of persons. He is supposed to be gifted with superior intelligence and with well-developed capabilities that enable him to rise to the highest levels of excellence. He also is assumed to have a heart that craves for the fellowship of his peers and bleeds for the misfortunes of his less-endowed fellow men.

This heart drives him to place himself at the service of his community, to share his gifts and resources with others in need, believing in his moral duty to be of “service above self” and in the principle that “he profits most who serves best.”

**The economic revolution**

These are qualities our country is in great need of today. Seven years after we regained our political freedom at EDSA in February 1986, we are now engaged in the monumental task of giving material and social substance to that freedom. Under my Administration we have embarked on an economic revolution that would place the Philippines squarely in the ranks of Asia’s fast-growing economies by the turn of the century.

We seek economic growth because our circumstances demand it—and, more than that, our people deserve it. Social equity and social justice cannot be thoroughly realized unless the people’s basic economic needs are met and their labors are benefited equitably.

But this effort will require more than just a vision and more than just skills. It demands the complete dedication of our people’s energies and capabilities to the objectives of economic growth. And this, in turn, will depend on our attainment of what I have called a “culture of excellence”—our ability and willingness to unite, to sacrifice and to serve in the best interest of our nation and humanity.

This culture of excellence is embodied in the Rotarian creed, and it is now our duty to propagate it among our people.

**What to expect from Government**

For our part, we are committed to provide the kind of policies and programs that will assist—and not obstruct—economic growth and people empowerment.

The heart of our economic program lies in achieving a better interplay of market forces in our economy to improve market competition domestically, and to enhance our international competitiveness.

As I have often stressed, we can uplift our people's welfare through the equitable sharing of responsibilities between Government and business in a partnership for progress.

Our tasks are cut out for us in this partnership. The economic philosophy of my Administration is to do less in those areas where market forces already work and where you in the private sector can do the job better than Government. Conversely, we must do more in areas where Government can do that start-up and pioneering tasks.

To attain the status of newly industrialized country by the turn of the century, we have launched the Philippine Medium-term Development Plan for 1993-98, our road map to progress. And to keep our focus on this closely contested race, we have adopted the battle cry—"Philippines 2000." As we begin to carry out the development plan, we have laid down the foundations to achieve this goal.

Our efforts toward national unity and political stability are gaining momentum. We have reached out to all dissident groups in society to join us to work for the common good. We are addressing criminality forcefully so our citizenry can live and work in peace.

### **Priming the pump**

To pave the way for our fast-track public infrastructure building program, we are priming the pump to the tune of at least 60 billion pesos this year.

We are adopting measures that will dismantle monopolies and cartels and are privatizing big-ticket Government corporations and assets. We have decisively moved to fully deregulate foreign exchange and considerably relax foreign investment regulations.

We have been aggressive in our diplomatic and promotional efforts to attract foreign investments, trade, technology transfer and tourism through visits to our Asian neighbors.

We are establishing regional industrial centers all over the Philippines where investors can be assured of profitable ventures and access to our skilled manpower pool, as well as catalyze agricultural productivity and modernization in those regions.

But our biggest stumbling block to progress remains the debilitating power shortage. Let me assure you, however, that Government is employing all available talent and resources within its means to solve this problem as early as possible.

The bottom line is to create more national and personal wealth to support the aspirations of our people. The ultimate aim is to alleviate poverty and assure for all a better quality of life. This is a fitting legacy we must bequeath to the young as we mark the centennial of our independence before the end of the century.

With a more integrated ASEAN poised to take off, the Philippines can look forward to faster economic growth using the stronger synergy that ASEAN can provide.

### **The synergy of the Philippines within ASEAN**

We propose the following concrete strategies and measures to enhance our competitive edge further:

a. Formulate policies and design programs to improve the image of the Philippines;

*b.* Conduct regular dialogues between the branches of the Government and the private sector on plans and programs that need to be undertaken to ensure consistency in their interpretation and implementation;

*c.* Pursue an export-led industrialization drive by developing an outward-looking industrial sector focusing beyond the domestic market to foreign markets and supported by a more open investment environment;

*d.* Develop intermediate and support industries (e.g. light industries) to process primary products toward servicing both regional and international networks of industries;

*e.* Promote small and medium enterprises through a more liberal supportive environment;

*f.* Formulate effective programs to capture the Philippines' comparative advantages in ASEAN in the following: managerial, accounting, banking and other professional manpower (so that the Philippines can capture the high-level consultancy and professional market in Southeast Asia); agricultural technology; health and allied professions; print and broadcast media; and computer software.

*g.* Formulate programs to encourage manufacturers of semicapital-intensive products, including nonmetal manufacture, electrical appliances, fertilizer, pulp and paper, rubber products, packaging materials and automotive components where the Philippines is considered to have the competitive edge;

Move the ASEAN Free Trade Area (AFTA) toward regional cooperation and liberalization of trade in services, in addition to goods;

Review and reformulate countryside development programs, including agricultural productivity, to make them responsive to AFTA opportunities.

*j.* Hasten the deregulation of the domestic industries and the institution of new reform measures so that industries most affected by AFTA would become, by the year 2000, fully competitive;

*k.* Deregulate the maritime shipping industry and strengthen maritime and maritime-related industries and services so that the Philippines will be in a strong maritime position in anticipation of a greater volume of intra-ASEAN seaborne trade; and

*l.* Add Malay culture and Bahasa courses as well as Nippongo and Mandarin courses especially for business/commerce programs in schools and universities.

### **The need for a civic revolution**

Our economic takeoff depends largely on our most valuable resource—the people. But it is a resource that has not been fully developed. We must release the untapped potential of our people if we have to attain our aspirations for our country. Our policies and programs should draw on this distinctive competence of our people to enhance their competitive advantage. Our educational policies must be restructured to enable the next generation of Filipinos to cope with the challenges and opportunities of a new global economic milieu and political order.

But most of all, we need to trigger a civic revolution—an explosion of social energy. It is a revolution characterized by an upsurge of enthusiasm of citizens to get involved in the business of national development. It is a resurgence of initiative to contribute to the common good. It is the revolution that we need to truly empower our people.

### **What the private sector can do**

At this point let me shift to the roles of the private sector. I will cite four of what I consider to be your most significant functions.



First, you must sustain your credibility and therefore profitability by serving your customers well. You know this better than I do. But I mention it here only to stress that I see this not just as a commercial imperative but also as a social duty. This ties in with the culture of excellence I spoke of earlier. Business must emphasize quality and service, beyond opportunism and quick profit-taking, if it is to achieve strategic competitiveness.

The second role of the private sector is to help us improve the payment and collection of taxes and the overall tax effort. Given the requirements for development and the time it takes for reform measures to yield results, we will also need to ask the support of Congress for Government's proposed revenue-generating and enhancement measures.

A third role is to share benefits with your employees and clientele. I need not tell you that this is good business sense and that this provides for a well-motivated workforce, thus preserving industrial peace for the good of all.

The fourth and perhaps most important role is to think and act in unity on our national objectives, on our ASEAN and Asia-Pacific regional concerns and on our global competitiveness.

The challenges before us are formidable. It will take much work and dedication from both the Government and the private sector to get our country moving toward where we want to be. I remain deeply concerned but unfazed. My faith in the capability of our people to rise above our misfortunes and to move the Philippines forward and fast remains unshakable.

For far too long, we have scorned our own abilities, bemoaning our sick man status in Asia and generally discouraging ourselves without doing much to reverse the situation.

We have only to look at the successes of our immediate neighbors to see that what they have done we can do as well, if not better. If I have learned anything from my recent visits to our friends around Asia, it is that development begins with inspiration. And this inspiration we must draw from our deepest resources of faith and commitment—and from local success stories.

We have much going for us. Our greatest strength is still the Filipino as a productive worker and a competent manager, in whatever field. We are well positioned to achieve our objectives. We have the resources, and we have the capabilities to do what Korea, Singapore, Taiwan and Thailand, among others, have done in their own ways and their own time. But we need to foster and to promote the right attitudes—a new ethic of discipline, community service and self-sacrifice—to turn the wheel of growth forward.

*Source:* **Presidential Museum and Library**

Ramos, F. V. (1993). *A call to duty : citizenship and civic responsibility in a third world democracy*. [Manila] : Friends of Steady Eddie.

**Speech of President Ramos at the Commencement Exercises of the Philippine Military Academy Class 1993**  
**Speech**  
**of**  
**His Excellency Fidel V. Ramos**  
**President of the Philippines**  
**At the Commencement Exercises of the Philippine Military Academy Class 1993**

[Delivered on March 21, 1993]

**Young soldiers  
of the people**

TRADITION HAS MADE my presence here today a moral obligation as your commander in chief. But this is also a privilege for me both as your President and as a former cadet and an old soldier who has not yet faded away.

It was not too long ago that I was a young cadet myself, imbued with vigor, zeal and idealism. Coming out of the Military Academy, I had little inkling then of conflicts I would have to face—both on and off the battlefield. All I possessed was the discipline of Academy life, the sense of duty and honor which is every soldier's source of pride and abiding responsibility, and my faith in the boundless providence and mercy of an all-protecting God.

**The demanding life**

It would be absurd to imagine that training in military school equips us with all the answers to the cares of life. But one thing it clearly provides—and that is the opportunity and the preparation to live the unique and demanding life of the soldier.

I feel blessed and humbled for all my years in the military service and for being chosen by our people to occupy this highest office in the land. It has been an arduous journey, fraught with adventure and the learning born of pain, combat and sacrifice.

I have seen death—not only the physical expiration of the body, to which we must all submit—but the death of courage and of hope among a few of us. But I have also been privileged to witness the indomitable resurgence of our people's spirit—at EDSA, in February 1986, in our streets, offices, farms and factories, and in your faces here today.

At this point of a retired soldier's career, I can only marvel at this miracle of renewal, which we are now enacting. How and why a young person of superior mind and body should forgo the easy comforts and rewards of a civilian career in more lucrative professions to become a soldier? How and why—in this material age—such timeworn abstractions as “duty” and “honor” continue to command the worship of the finest of our youth?

***Alab ng puso: the desire to excel***

How and why indeed, were it not for the timeless imperatives of nobility, the call to greatness, the desire to excel, to which you have so willingly responded.

Every country, no matter how impoverished or disadvantaged, needs a home for greatness: a place where we can be reminded of our noblest possibilities, and where those possibilities can be nurtured to fruition. In such a home, only the best of people must be admitted and tutored. And then only the very best of those aspirants must be given back to society, to ennoble their fellow men by their service and example.

The Philippine Military Academy is one such home.

Every citizen, regardless of economic or social position, has a hero's heart, aflame with the passion to help and to do good to others. Among ordinary people, it may take extraordinary circumstances for the heroism to emerge. But for a PMA graduate, that heart beats constantly.

The name you have chosen for your class—"*maalab*"—speaks well of the fire in your spirit, which you pledge to keep alive forever and to share. I will hold you to that pledge—and so will our people.

Remember, however, that fire by itself can either do good or do ill. It can be a source of light and warmth, but untempered it can also destroy. From you we seek the fire that forges iron into steel, that accomplishes the mission against great odds, that guides the lost traveler, that comforts those without shelter, that comes to the aid of the weak and that protects the nation in time of danger.

Think back a moment and recall. This nation came to birth from the toils and strivings of very young men and women. Men like Rizal, del Pilar, Jacinto, Bonifacio and Aguinaldo who in their twenties kept their appointments with history at an age when our young people today are just coming out of college and starting their families.

Though young in years, our revolutionary heroes had mighty visions of the future. Their lives were touched with fire, such that they faced the white man's armies and steel, and founded the first republic in Asia.

### **Returning to the roots of idealism**

Thus, if we are to rise again as a nation—to the progress that is within our talent to achieve—it will be by returning to the roots of idealism and patriotism that mark our history. We have to look at our country and ourselves afresh—in much the same way that this nation must have looked to our young heroes of a century ago, who believed that freedom and progress were the inevitable fortune of our race.

We have to look at our future in much the same way that a young man and woman look at tomorrow as he or she comes out of school—with hope, caring and daring.

In our time, especially during the last ten years, our nation has seen great upheavals in which military professionals, themselves Academy graduates, have been principal players—sometimes on opposite sides of the battleground. But the will of the majority has always prevailed, the Constitution upheld, democracy strengthened and people power enshrined.

Your four years in this Academy have been among the most momentous in the world's and our nation's history. Old empires have fallen, shaken to their cores by the bankruptcy of outmoded ideologies. Communism and military adventurism have been rejected by democratic systems. New nations and alliances have risen, each brimming with hope and urgency for enduring peace and sustained prosperity. While it is a sad fact of politics that some people have taken up arms to advance their narrow aims under the guise of revolutionary reform the overwhelming and universal clamor for genuine and enduring peace with justice can no longer be denied.

### **The new battleground**

I have taken the initiative in reaching out to all dissidents and rebels fighting the State, so that our people—for too long burdened by political divisiveness—may be unified into a democratic and dynamic nation. We are prepared to listen. We are prepared to forgive. But above all we must be prepared to submerge our individual and parochial interests in favor of the national interest and the people's welfare.

In this new battleground, unswerving discipline must define the true meaning of the Academy's revered motto of "Courage, Integrity and Loyalty"—loyalty above all to country and people that must transcend loyalty to class, party and family.

As the military historian and critic John Keegan tells us, the soldier in our time is called to a different style of leadership that is “dedicated not to a strategy of conquest but of security.”

We need peace and security so we can work, so we can grow. All over the world today, peoples and governments are realizing that the most important wars of the twenty-first century may be fought not on the battlefield, but in corporate boardrooms, in the farms, in the research laboratories, in the assembly plants, in schoolrooms and even in community centers where livelihood is generated.

These are battles we must be productively engaged in. We have no choice but to develop and to grow; the frightening alternative is national stagnation and the rule of the mob. The real enemies are poverty, injustice, fear, ignorance, criminality, corruption, environmental degradation and population pressure.

We Filipinos surely are more fortunate than others in that we are very well positioned to achieve our national objectives. We are blessed with a live and functioning democracy that enables us to harmonize the interests of the diverse groups in our society under a Government that is accountable and responsible to our people.

We have a central, strategic position in the geography of Asia and the Pacific. We have natural resources and human talents sufficient to turn this country into Asia’s next economic success story by the turn of the century. And we should always thank the good Lord for all of these.

But we have handicapped ourselves—tragically and needlessly—by harping on our weaknesses, instead of building on our strengths, by being crabs instead of dragons.

### **Deliberation and discipline**

I have visited some of our Asian neighbors these past few months to observe their transformation from their postcolonial backwardness to growth and sustained prosperity, and the most important lesson I have learned is that progress demands unity, discipline, hard work and teamwork. These are all qualities and assets that we can—and must—draw from deep within ourselves, because no one else can give them to us.

But having said that, we must now tell ourselves that there is a time for talk and deliberation, and there is also a time for action. That time for action is now. The soldier in the field, the lieutenant in combat, cannot afford to be assailed by doubt and irresolution when the objective has been identified, the enemy at hand, and it is time to advance.

While those in the military have been trained to receive orders from above, we must also recognize that civil governance is a complex process. It needs patience—and a largeness of mind and heart—to understand and to respect this process.

Indeed our political and military leaders can learn much from each other. Deliberation and discipline—these must go together, as they did in the person of the philosopher Socrates, who was himself once a foot soldier in the great armies of his time.

In due time, the members of this class of ’93 will distinguish themselves in many capacities—in the military, in Government service, in the private sector. Your idealism and dedication will be much needed in these places. As we root out the corrupt and the inefficient in the Armed Forces and the National Police, and indeed in the entire Government service, we will replace them with people made of sterner stuff. This will be the challenge and the burden of your generation: to restore pride, professionalism and excellence in the service while respecting authority and the rule of law.

### **A new officer corps in the making**

At least once in our lives we must all aspire for glory. For you, that moment has arrived. And your field of glory is broader than it has ever been. As you leave the PMA, indeed throughout your career, sharpen your minds as

carefully as you assemble your weapons. You are soldiers of the people; be worthy of their trust and hope, in war as in peace, in combat as in nation building.

We are all prepared to die for our country; but the greater challenge lies in living and toiling for it, in performing the practical, though tedious, tasks of bringing the nation up to a stable, prosperous and competitive national society.

Let me extend a personal welcome in advance to a special breed of soldiers who will be with us very soon. I speak of the 16 women who will be joining the PMA corps of cadets in June. Another barrier has been broken, and rightly so. It gladdens me to see that this indeed is a new and truly democratic officer corps in the making, attuned to the needs and realities of our age.

Let us applaud these women and make them feel welcome and appreciated. Treat them with the dignity, respect and equality you show each other as officers and gentlemen. You know—and they will soon know—that the life of a cadet is difficult enough as it is, and the life of an officer even more so—as you yourselves will soon find out.

*Source:* **Presidential Museum and Library**

Ramos, F. V. (1993). *A call to duty : citizenship and civic responsibility in a third world democracy*. [Manila] : Friends of Steady Eddie.

**NATIONAL GOVERNMENT PORTAL – EDITED AT THE OFFICE OF THE PRESIDENT OF THE PHILIPPINES UNDER COMMONWEALTH ACT NO. 638**

**Speech of President Ramos on the 96th anniversary of the Philippine Army**

**Speech  
of  
His Excellency Fidel V. Ramos  
President of the Philippines  
On the 96th anniversary of the Philippine Army**

[Delivered at the Fort Bonifacio, March 24, 1993]

**The future of the military**

THERE ARE a few leading institutions in our country today that can justly claim to being older than the Republic itself. The Philippine Army, which began as the army of the revolution on March 24, 1897, in Tejeros, Cavite, is one of them.

It is now our turn to renew the struggle for freedom, this time freedom from want and freedom from fear. We have started to reinvigorate our nation so that the Philippines can proudly take its place in the community of nations as a capable and dependable partner and confidently face the challenge of the twenty-first century.

**Our changing world**

The Philippine Army has been the main implementer of the AFP'S counterinsurgency campaign. Indeed, it has acquitted itself remarkably in this role. Even as it continues to dislodge the remaining guerrilla fronts and mass base areas of the CPP-NPA, the strategic thrust of its campaign has shifted to a policy of attraction that puts emphasis on enhancing community relations and supporting development tasks without relinquishing its protective mission over our communities and the citizenry. This is pursuant to the strategic guidance I have given the Armed Forces to carry out an integrated approach that combines military operations with political action, economic development and social service.

Having reduced the threats to national security and pursuing a just and enduring peace through national unification, we have put in place a more stabilized environment that will be conducive to community development and nation building.

In the last 15 years our nation has seen great upheavals in which members of the military have been the principal players, sometimes on opposite sides of the battleground. But the will of the majority of the Filipino people has always prevailed, the rule of law upheld, democracy strengthened and people power enshrined. The EDSA people power revolution of February 1986, which resulted in the nonviolent overthrow of a dictatorship, restored the historic unity of the people with their Armed Forces, which was the same unity that propelled Philippine independence under Aguinaldo and his army of the revolution.

**Discarded ideologies**

In the last four years, momentous events have taken place in the world and our nation's history. All the empires propped up by discarded ideologies have fallen. Communism and military adventurism have been rejected and replaced by democratic systems based on constitutionalism and free enterprise. New nations and alliances have arisen, each brimming with high hopes for enduring and sustained peace and prosperity. The overwhelming universal clamor for genuine and enduring peace with justice has negated the adventurism of various groups that have taken up arms to advance their narrow aims under the guise of revolutionary reform.

I have taken the initiative in reaching out to all dissidents, separatists and rebels fighting the Philippine state so that our people, for too long burdened by political divisiveness, may be unified into a democratic, capable and dynamic nation. But while we are prepared to listen, to dialogue and to negotiate, we must set aside our vested and partisan interests in favor of the people's welfare and the nation's stability.

We need peace and security so we can work, so we can grow. All over the world today, peoples and governments are realizing that the most important wars of this decade may be fought not on the field of military combat but in corporate boardrooms, the farms, the factories, the research laboratories, the schoolrooms and even community centers where livelihood must be maximized.

These are battles we must be productively engaged in. We have no choice but to grow and develop. The frightening alternative is national stagnation and the rule of the warlords, as we are now seeing in Somalia. The real enemies are poverty, pollution pressure, injustice, fear, ignorance, criminality, corruption and environmental decline.

If it is to perform this future role responsively, the Army must not only modernize its equipment and weaponry but also develop highly skilled, motivated citizen soldiers and military leaders, with a national orientation and a global outlook.

### **Economic development: the key to national stability**

Among the highest priorities of Government is to revive, sustain and develop our economic viability and competitiveness as a nation.

From my meetings with the heads of state I have recently visited, I am firmly convinced that economic development is the key not only to the progress and well-being of our citizenry, but also to the peace and stability of our country. Poor and underdeveloped countries are most vulnerable to the threats to their national stability. The options for peace rather than conflict become more easily attainable if we are economically capable. Economic power now equates with national security and public welfare.

Indeed, the modernization of our Armed Forces and the strengthening of our defense posture depend on the revitalization of the national economy and the attainment of international competitiveness.

For this purpose, the Ramos Government has promulgated a Medium-term National Development Plan for 1993-98 called "Philippines 2000". This is your battle cry and mine—Philippines 2000!" On this future battleground, our military must help the nation exploit the opportunities to bring the country to its desired goals of reform, change and sustainable development.

Traditionally, the formal purpose of the Armed Forces is to act against foreign enemies, but in reality they have other and varied functions. In many countries, particularly developing countries like our own, the armed forces have great social and economic significance. They stand as a symbol of unity and stability, and this is true in the Philippines.

### **The future of the military**

They are an agent for modernization in contrast to armies in the Western world where the military has been for centuries the bulwark of tradition and conservatism. They are an army and institution for socialization and integration because they bring together members of varied ethnic and social groups. They are also an instrument for helping to manage the conflicts within our national society. And because of their system of discipline, they are a living example of the kind of discipline that poor and developing countries need in order to survive and grow.

Today, the prevailing concept of the military is an instrumental one. The military is an instrument of national policy to be used to strike and neutralize an enemy effectively. But as wars become more destructive, flexible response and limited warfare have become the new doctrines of the military.

The Armed Forces have a critical nation-building function. Our engineering units are employed in building infrastructures and in rehabilitating calamity areas. Military units provide assistance for health, education, peace and order, environmental protection programs throughout our vast archipelago in our remotest communities.

### **The great challenge**

We are all committed to die for our country. But the equally great challenge lies in living and toiling for it in performing the practical though tedious tasks of building the nation into a stable, prosperous and competitive national society.

What we need as a people is faith in ourselves, direction in our efforts, determination to attain our national goals and solidarity to work continuously toward national progress. Under this Administration, the national leadership will provide the vision and the direction, and together we shall maintain the faith, enthusiasm and determination to march forward and achieve what is best for our people.

As we commemorate the 96th anniversary of the Philippine Army, I urge all our men and women in uniform, citizen-soldiers all, as well as all the civilian employees of the Philippine Army, as well as their families, the veterans and the retired soldiers, to set the example and serve as a source of pride and inspiration for the rest of the citizenry.

I congratulate you on your achievements in bringing honor and glory not only to the Army but to a greater extent to our country and people.

Today, let us be proud, as proud as the day when our forefathers formed 96 years ago the army of Philippine independence.

*Source:* **Presidential Museum and Library**

Ramos, F. V. (1993). *A call to duty : citizenship and civic responsibility in a third world democracy*. [Manila] : Friends of Steady Eddie.



**Speech of President Ramos at the opening ceremony of the 19th Biennial Convention of the Filipino-Chinese Chamber of Commerce and Industry Speech  
of**

**His Excellency Fidel V. Ramos  
President of the Philippines**

**At the opening ceremony of the 19th Biennial Convention of the Federation of Filipino-Chinese Chamber of Commerce and Industry**

[Delivered at the Mandarin Hotel, Makati, March 27, 1993]

**Lead,  
get out of the way!**

**follow**

**or**

I would like to address myself here today to the task of rebuilding trust and confidence between us—between business and Government, between our Filipino-Chinese community and the larger national community consisting of all kinds of Filipinos, and between all of us who want the best for our country.

Your theme “Aiming for Continued Economic Growth” describes accurately what the Federation has been doing in the last 40 years. This is, indeed, commendable. But if I may make a suggestion, it would be better to adopt for the country—and not just for the Federation—a similar motto: “Aiming for Accelerated Economic Growth.” Our economic growth last year was very slow. We must aim for accelerated growth because we have so much to do and we have very little time. We have been left behind, and our nation remains poor, so we have to double-time. If there is still one major problem that handcuffs our efforts to move our nation forward, it is clearly the residual problem of trust and confidence between business and Government.

On one hand, many people in our business community feel that Government is intruding too much into the sphere of the private sector and not doing enough about its own responsibility.

On the other hand, those in Government and the general public believe that business is getting away with far too much and is not doing enough for society, especially the masses who are poor. And so between these two poles of suspicion and mistrust, our country can only crawl with lackluster growth, and become prey to gossip and doomsday predictions. Under such conditions, even our most promising efforts at reform and change can hardly be expected to energize the nation.

**Rebuilding trust and confidence**

When I discouraged some suggestions earlier that I take part in selecting the officers of your Federation, I declined, not because of indifference to the work of this Chamber or because of the character of its leadership. I meant to underscore my belief that meddling in your affairs is the surest way to weaken the rebuilding of trust and confidence between us.

You will recall that during the dialogue between us at Malacañang last week, I challenged the Federation to become the nucleus for uniting the Filipino-Chinese community because some among you are not part of this Federation or continue to oppose the Federation. I wanted you to reach out to the diverse elements of our society who proudly come, as you do, from Chinese ethnic origins. This is what we must do now—reach out and unite—in the same way that I have reached out to the extreme Left and the extreme Right and to the secessionists in-between so that we can forge once and for all the unity of Filipino society. This we have to do to solidify our ranks as Filipinos in order to be able to survive in the competitive world outside.

Historically, we haven’t really had a good, strong tradition of cooperation between business and Government in our country. The most we have had in the past is cooperation between government and a few business interests, which has not been good for either business or the country. The dominant tradition is one of excessive government intervention in business, which in turn has been the cause of much business anxiety and even paranoia.

The “regulatory State” is a product of this process, but it is by no means the invention of superzealous bureaucrats and politicians in our country. As contemporary economists and management experts have observed, during the last half century there have been really two distinct theories governing the relations of business and government.

One theory, called “capitalist regulatory economics,” which has been practiced mainly in the advanced Western countries, has been to a great extent appropriated by many in the Philippines. Under this practice, the way to develop the economy is for government to regulate as fully as possible the operations of the private sector, in order to ensure that business doesn’t consecrate everything to the profit motive.

### **Government and business**

The other theory, more recent in practice and popularity, is what economists call “capitalist developmental economics.” And this is what is being practiced in East Asia, our region, principally by Japan and the dragon economies that have emerged in the postwar era. Under this theory, government and business are seen as working energetically together to achieve a common goal: developing national productive capacity, penetrating global markets through aggressive marketing policies and providing liberalized policies designed to make the private sector the engine for economic expansion.

We know about this developmental State because of the catchwords—Japan Inc., South Korea Inc., Taiwan Inc., Singapore Inc.—which, all told, have turned these countries into economic dragons and major players in the world economy.

Even the West is beginning to envy the dynamism of the developmental States of Japan, Korea, Taiwan, Hong Kong and Singapore as the means to revive its own sagging economy.

We seek to establish this developmental thrust in our country. We see our purposes best served by the ideas and policies of developmental economics. And that means Government working with business in a positive and mutually reinforcing relationship, rather than against business in an adversarial, or confrontational and regulatory manner.

There is now considerable consensus in our country about developmental economics. In the 1992 elections, nearly all the presidential candidates, including me, were in favor in one way or the other of the principle of getting government out of business, wherever business could do it better than government.

### **Effective government**

But it is, of course, one thing to espouse deregulation in general and another thing to push and carry out specific ways of freeing the market for greater competition.

After nine months in office, I know only too well that slogans aren’t enough for effecting reform and instituting change. What we need also is a clear head to appreciate what must be done, a social conscience to attend to the needs of the underprivileged, the ability to persuade others to support critical policies, and the perseverance to nurture momentum and initiative to its conclusion—all of these are infinitely more important.

My Administration remains steady in its program of reform. It has not deviated from its vision for Philippines 2000. And it has been persistent in pushing its policies and programs for freeing the economy and making it more world-competitive. If I have been repetitive about our developmental thrust in forums such as this one tonight, it is mainly because I want everyone—domestic and foreign businessmen alike—to know that we mean what we say when we speak of our resolve to change the climate for economic effort in this country.

We cannot emphasize this point too much. Just the other day, I was reading a book *Asia’s New Little Dragons* by Steven Schlossstein, which discusses the dynamic emergence of Indonesia, Thailand and Malaysia. I was struck by what the author said about our country. Schlossstein said: “The Philippines tends to wind up on the bottom of everybody’s list for practically any issue—typically a day late and a dollar short.”

To me the foremost requirement is to ensure our political stability. This is the first important confidence-builder for a nation. And on this we have focused and are focusing our paramount attention. We have already moved a long way in providing this political dimension with effective government and decision-making. Our executive and legislative branches as well as the leaders of the private sector, many of whom are here tonight, have never been more cooperative in shaping the policies requisite for growth than they are now.

But there is another dimension to effective government in which we still fall short—and that is the institutional and managerial dimension, or the ability to carry out policy.

### **No small victories**

For the most part, we tend to take it for granted that once decisions are made, they will be effectively translated into operational realities. In fact, however, administrative bottlenecks in Government and in the private sector may continue to frustrate policies and programs. Sometimes the constraint concerns the lack of managerial know-how, sheer bureaucratic inertia or deliberate political obstructionism.

But whatever the cause, we have to do better in carrying out policies crucial to our national advance. We should allow neither stalemate nor unintended effects to frustrate our development goals.

This crucial managerial dimension keeps our Government managers, like Secretary Rizalino Navarro of Trade and Industry, working late at night seven days a week. And I want to assure you that this Government won't be passive before that problem. We will do all to remove the roadblocks to effective government. And we will not be content with small victories in this struggle.

By way of illustration, I might mention here what we are doing about carrying out and improving our capabilities regarding both the power shortage and the anticrime drive—two issues acutely felt by your community.

### **Moving decisively and aggressively**

I seek special legislation to deal with the energy crisis in order to deal with a specific problem in the fastest possible way. For the stakes are nothing less than the success of our development effort. I certainly harbor no ambitions that will in any way endanger the democratic institutions we have been at pains to strengthen and defend all these years. And I am willing to stake my more than 40 years of public service to our nation in regard to continuing to uphold and protect our Constitution and our democracy.

I am grateful to the Federation for coming out with a resolution appealing to Congress to fast-track the approval of the bill submitted by the Administration to deal with the power crisis.

Now if we have moved also decisively to reorganize the Philippine National Police and upgrade its professionalism and operational capabilities, this again is designed to improve our ability to deal with crime strictly in our society—especially the kidnappings that have brought much tragedy, anguish and havoc on your community and the economy. The stakes here too are very great, and there are no steps that we should hesitate to take in eradicating this menace from our national life.

If we are moving aggressively to dismantle business monopolies and cartels—including seeking the passage of an antitrust law—it is because we need to level the playing field and open the economy to competition. Unless our system of private enterprise is truly competitive, it can never attain its full potential.

Here I would like to interject a response to our businessmen. A few of them fear that this Government is antibig business. Let me assure you it isn't so. Indeed, I see our large corporations as the indispensable arm and partner of Government for providing the cutting edge in our economy and enabling it to crack foreign markets for our products. Certainly, I would hope that every Filipino company will rise to bigness—as big as the biggest companies in ASEAN and in our Asia-Pacific region.

By breaking up monopolies or cartels, we do not mean to disapprove of big business in itself or to indict dominance in market share that arises from better products and sounder management. Rather, we mean to check an unconscionable situation that allows a company or group to fix prices because of its exclusive hold on a particular industry, to the detriment of the consuming public and the people's welfare.

### **Firmness and fairness**

The bottom line of this reform is that firmness and fairness in our economic policies are in the interest of business itself and the public. Let us never forget that most complaints about monopolies and cartels come from businessmen themselves, who find it impossible to operate effectively and competitively when the field is dominated by monopolies.

When I talk of the public or the national interest, I mean the good of the majority, and not just the good of a favored few. This is the heart of my principle of the economic empowerment of our people—that we must bring into the mainstream of policy-making the interests of all who constitute our society, especially the interests of labor and the farming sector, and the interests of the poor, of whom we have so many.

To speak of people empowerment is to speak of a policy of inclusion, not exclusion; a policy of opportunity, not of neglect. Business-Government relations must reflect this orientation of our development effort. Our relationship is not a one-way street. As in marriage, it takes two to make a good, happy and lasting relationship.

So what Government strives to do for business, we expect you in the private sector to match with enterprise, with courage and confidence. Let us not approach the task of developing our country as a challenge in which business will move only when Government has provided all the answers, when there are no longer any risks and when profits have been assured.

### **Filipino first**

This is what I mean by *caring*, *sharing* and *daring*. Please remember those words. They rhyme and so it should not be easy for you to forget them. We *care* for our people and therefore we must *share*. And since we must move aggressively, we must also *dare* during this critical period.

This is why I asked some of our most capable Filipino tycoons to invest first in the Philippines during this critical takeoff period, and not elsewhere abroad, where their help is not so badly needed. Let us remember that—Filipino first.

Government can create the conditions for economic effort by providing the climate and the infrastructure for enterprise of vision and boldness, by ensuring that the risk-reward ratio is enhanced in favor of the entrepreneur.

Nothing ventured, nothing gained—that has always been the rule since time immemorial. On this, our Filipino-Chinese community surely needs no instruction from me. You know this better than I do, for if there is one group that has been most venturesome and enterprising among us, it has been this Federation and the entire Filipino-Chinese community.

In Asia today, as *The Economist* magazine has reported, the Overseas Chinese community, which numbers some 55 million, is the “the driving force” behind the spectacular growth of many economies in our part of the world. And the Filipino-Chinese community is counted among the Overseas Chinese in that estimate.

So it's not empty rhetoric for me to hope that in the Philippines, the Filipino-Chinese community will also make a big difference in the achievement of our high goals for our country during this final decade of this century.

I won't gloss over the many problems we must address to ensure your fruitful participation in our national life. These are, in fact, uppermost in Government's concerns. And I assure you that we are not sparing any efforts to ensure the safety of your families and to reform the business environment you operate in.

### **Filipino-Chinese dynamism**

I am happy to learn that the Federation and the Filipino-Chinese community are trying to harmonize their own visions with that of the entire nation. I know that the Federation has done much in this effort, but it can and must do much more.

Let me cite today's editorial of the *Manila Bulletin* to press this point further:

For the Philippines to reach the take-off stage for economic development, the country needs families of business entrepreneurs that members of the Federation exemplify to an outstanding degree. Hence, to aim for continued economic growth, society has to encourage the efforts of organizations such as the Federation to instill into the young, the next generation, the virtues of hard work, honesty, diligence, attention to detail, and creative insight into business opportunities which will contribute toward rapid economic growth.

I hope you all saw this editorial extolling the Federation. And I believe in this. But I would like to suggest a correction to the cartoon because the rate of growth shown is not fast enough. Let us make it jump according to the red arrow.

And so as I look at our country today, I see much that we can be proud of and hopeful about. And what are these? First of all, a central strategic position in the geography of Asia and the Pacific. If we look at the map of Japan in the north, Australia in the south, mainland Asia in the east and the Pacific Rim of Canada and the United States in the east (west here), we find the Philippines right there, in the middle of everything. Besides that, we also have rich agricultural and marine resources. On top of that, we have human resources that can be developed as a competitive managerial, financial and labor force, now and for the future. Moreover, our young people are proficient in English and familiar with computers.

### **Vision of the future**

We are now mobilizing the energies of our country for the tasks before us. Whatever obstacles are along the way, we shall strive to remove them.

There is a story about Ted Turner, founder of CNN, or Cable News Network, the mega corporation of the information industry. Turner has a plaque on his desk which says: "Lead, follow, or get out of the way."

I think this sums up all that is required of us today—of you in business and we in Government. We must *lead* our institutions to new heights of accomplishment and service to our people and to our country. We must *follow* the call of reform and development, and heed those among us who offer good counsel and common sense. And if there's anyone among us unwilling to help or too afraid to move, or unable to lead, then let him or them *get out of the way*, instead of obstructing our labors.

In God's good time the day will come when this country—our country—will be a day early and a dollar ahead!

*Source:* **Presidential Museum and Library**

Ramos, F. V. (1993). *A call to duty : citizenship and civic responsibility in a third world democracy*. [Manila] : Friends of Steady Eddie.

**Excerpts from a Speech of President Ramos during the proclamation of Autonomous Region in Muslim  
Mindanao (ARMM) elected officials Excerpts from a Speech  
of  
His Excellency Fidel V. Ramos  
President of the Philippines  
During the proclamation of ARMM elected officials**

[Released on April 2, 1993]

**Empowering the ARMM**

MY INTEREST in carrying out the Organic Act for Muslim Mindanao goes beyond the regional territory or having its leadership in the hands of allies.

The sustained development of Mindanao and the solution of its long-standing problems, including their unwanted violent aspects, have been among my most urgent concerns for most of my career as a professional military and civil servant.

My Administration is determined to develop the full potential of Mindanao—perhaps the island with the country's richest potential—so that peace, justice and prosperity may reign there and all may benefit from its strategic position and natural and human resources, be they Christians or Muslims or members of other cultural communities regardless of political affiliations.

The Organic Act created the Autonomous Region in Muslim Mindanao (ARMM) to respond to the clamor for autonomy and self-determination within the territorial integrity and national sovereignty of our republic. . . .

With the assumption of office of the ARMM's new officials, I reiterate my call that whatever animosities the recent elections may have bred should now be set aside. It is time to end our divisiveness and gather our energies toward the attainment of autonomy and sustained development in Muslim Mindanao and rally our people in the ARMM so that they, too, shall march to the vision of a brighter "ARMM 2000."

Our vision of Philippines 2000 cannot be achieved without achieving first "Mindanao 2000" and "ARMM 2000."

Therefore a top-priority action program that the new ARMM administration must tackle without delay is to devise its Medium-term Development Plan for 1993-98, which will lead to "ARMM 2000." . . .

Some people assert that the Organic Act is to blame for ARMM's shortcomings; that it does not provide sufficient fiscal autonomy; that the ARMM has its hands tied because Manila continues to intervene unnecessarily; and that the Act should be amended. . . .

I am amenable to amendments in the Act if these will redound to a more efficient and effective regional government and accelerated ARMM development. . . . In the meantime, let the new ARMM leadership and constituencies operate as best as they can under the present Organic Act for the common good and regional welfare.

There is so much to do with so little time. . . .

I commit the National Government's support for ARMM's sustained development. Brothers and sisters in ARMM, let us now show the rest of the Filipino nation your capacity for self-rule. Your success will earn the gratitude not only of our Muslim brothers and sisters but also of our entire people. It's now your turn to act.

Excerpts from a speech given on the proclamation  
of ARMM elected officials, April 2, 1993

*Source:* **Presidential Museum and Library**

Ramos, F. V. (1993). *A call to duty : citizenship and civic responsibility in a third world democracy*. [Manila] : Friends of Steady Eddie.

**Speech of President Ramos at the signing of the National Development Plan for Culture and the Arts Speech  
of  
His Excellency Fidel V. Ramos  
President of the Philippines  
At the signing of the National Development Plan for Culture and the Arts**

[Delivered at the Heroes' Hall, Malacañang, April 7, 1993]

**One culture, one people**

AS WE COME together today to witness the signing of our National Development Plan for Culture and the Arts, I cannot help feeling a surge of pride and optimism for the good that this noble undertaking can bring to our nation.

With this plan, we acknowledge the existence of one true and distinctive Filipino culture—a culture born from the ideas, talents and dreams of generations of Filipinos, enriched and made sacred through the collective values and experiences that make us uniquely Filipino.

They are in our blood, these collective visions and experiences. They are evident in how we view life, in how we face adversities in our quest for development, in how we treat our fellow men, in how we place our faith in the hands of an all-knowing, all-powerful Almighty.

Our common heritage is what binds us together. Our common culture is the ultimate expression of the Filipino soul.

**Culture as the backbone of development**

The authors of our Constitution underscored the need for recognizing a distinct Filipino culture in which the foundations of our development may find their roots.

Development, to be truly meaningful, must come from the wellspring of a people's culture. This Administration recognizes this basic tenet. That is why we supplement Republic Act 7356 creating the National Commission on Culture and the Arts with this Presidential Order that I have signed today.

With the renewed hope of a unified nation, I hereby call on all our people and the national leadership to support the Philippine Development Plan for Culture and the Arts, formulated in consonance with the Medium-term Development Plan for 1993-98, which in turn leads to the achievement of our shared vision for "Philippines 2000."

Our national heritage, strengthened and sustained in this plan, will be our legacy to the generations after us. Theirs will be a future of confidence and growth, because today we articulate and operationalize the principles of oneness of nationhood. We see our future more clearly because we are setting national goals in the context of our culture—as an achieving and unified people.

**Government as the vanguard of culture**

To achieve our common goals, Government must take on the tasks that would realize and sustain the catalytic role of culture in our lives. While the race toward economic prosperity and advancement continues to be pursued to this day, we recognize that indeed culture plays a decisive role in economic development.

But let us not misconstrue our definition of culture. While the arts are essentially a part of culture, they do not wholly compose what we know of as culture. Culture is a system of vital ideas that directs virtually every aspect of our social life and energizes our relationships with our world and our environment. It is the matrix from which our values, attitudes, motivations and skills as a people emerge.



The task, then, of Government is to keep the momentum of this endeavor going. We must institutionalize the foundations that support the cultural and artistic mold of our nation, so that as one people we may pursue our vision of growth and stability.

Government's role is essentially that of a preserver and promoter of culture, a patron of the arts. We take on this role that we may protect the spirit from which we draw our strength and faith to make this nation more progressive.

### **The renaissance of Filipino culture**

The Plan envisions the renaissance of Filipino culture. Ours will be an awakening to the vitality, richness and dynamism that characterize our heritage. We must awaken pride in being Filipinos, instill a sense of identity into our people and unify them to build one nation.

The Plan has three phases: institution building from 1991 to 1992; infrastructure development from 1993 to 1995; and program expansion from 1996 to 2000.

Most of the priorities in the institution phase are now in place, including the creation of the National Commission on Culture and the Arts as the central policy-making and coordinating body for cultural and artistic development, the National Endowment Fund for cultural and artistic programs and activities, and the Commission on the Filipino Language as mandated by the Constitution.

We will support the concerned cultural agencies to carry out the infrastructure development phase, especially seeing to it that the National Museum is eventually housed in a building it can truly call its own.

And as early as now, we look forward to the implementation of the program expansion phase, which focuses on the culmination of the decade of culture and nationalism, the highlight of which is the centennial of the Philippine Republic's existence, in 1998.

The adoption of the Plan by the President signals the sustained implementation by cultural and other Government agencies, and the vigorous and unwavering support of the private sector. The growing consciousness for unity, solidarity and teamwork among our people—between the Government and the private sector, between the haves and the have-nots, between the urban and the rural, and between the artists and the laymen—augurs well for our cultural development.

Our heritage is our strength. It is our link with our past. It mirrors our national soul and our aspirations. It embodies everything essentially Filipino.

Let us renew in our hearts the patriotism and nationalism that are embodied in our legends, images, folklore, as well as contemporary achievements that are genuinely Filipino.

Only by this way can progress be within our grasp, one nation, one culture. One culture, one nation. This, in essence, is the heart of the Plan. Let us all support its implementation.

*Source:* **Presidential Museum and Library**

Ramos, F. V. (1993). *A call to duty : citizenship and civic responsibility in a third world democracy*. [Manila] : Friends of Steady Eddie.

**Speech of President Ramos at the commemoration of Araw ng Kagitingan with the veterans of Mount Samat**

**Speech  
of  
His Excellency Fidel V. Ramos  
President of the Philippines  
At the commemoration of Araw ng Kagitingan with the veterans of Mount Samat**

[Delivered in Bataan, April 11, 1993]

**Easter and heroism**

IT IS FITTING that this occasion of thanksgiving to our heroes, the veterans of Bataan and Corregidor, is held under the structure of a cross. For right beneath our feet is the earth once drenched with the blood of thousands of Filipinos, and Americans and Japanese soldiers as well, who made that supreme sacrifice for their beloved homelands. It is fitting that for the first time since the Fall of Bataan, this day of heroes is also observed on the same day as Easter Sunday, our day of salvation. Upon the cross was crucified Jesus Christ, the son of God who gave up his life that mankind might be saved, but who on glorious Easter morning rose again from the dead.

**Conquest of death**

We commemorate at Easter one of the two central events of the Christian faith, and the most enduring symbol of human renewal and hope. For the spirit of Easter speaks of the ultimate triumph of good over evil, of light over darkness, of truth over deceit. At Easter we celebrate Christ's conquest of man's worst fear—death.

That Christ overcame death and conquered it assures us that there is no condition of human suffering and deprivation that is outside the reach of God's power. Death loses its sting; it is no longer man's ultimate destiny. For Christ gave us the ultimate assurance that if we follow his path, we too will rise and live a glorious life forever. At Easter we are assured of the reality of this divine promise. And we are also urged and emboldened to receive and to take up the opportunity for a new beginning and a new life.

This towering cross at Mount Samat is the shining monument to the courage of Filipinos who defended freedom and democracy on Bataan and Corregidor. Bataan and Corregidor mark the contribution of the Filipino to peace and world brotherhood.

To recall to ourselves the valor and heroism of our forebears is not to waste ourselves in idle homage. It is to renew in ourselves the resolve to improve and rebuild that has characterized our people.

Today we remember the valiant Filipino soldiers who defended our native land. We remember those who fought for the ideals of justice and democracy—and paid the price with their youth, their dreams and their lives.

**The new battlefield**

We pay tribute to their courage, which saw us through our darkest hours, and during those times when hope was at its lowest. Because of them, the cause of freedom was strengthened. Because of them, democracy lives. This is their legacy to the nation and to the world.

The trials and challenges are unending for a people who wants to build a secure future for its posterity. And every generation of Filipinos must fight in its own time the campaign for freedom and independence.

Today we face another battle. In this new struggle we are no longer faced with a foreign invader. But the foe is no less formidable. It is poverty. And it is complex and deeply rooted. It assumes many faces: among them, national stagnation, ignorance, criminality, corruption, divisiveness and environmental degradation.

The war will not be fought in the arenas of combat, but in our places of work, in farms, in international conference rooms, in research laboratories, in assembly plants, in schoolrooms and in our communities. There, we will strive to overcome our lack of competitiveness and grapple with the issues that have kept our nation and people from fulfilling the vision of our heroes of yesteryear and the gallant warriors of Bataan, Corregidor and the countrywide guerrilla resistance movement.

In this new challenge, all Filipinos are called to duty with the same selfless dedication, valor and daring manifested by those who fought at Mount Samat.

We are capable of such heroism. In February 1986 at EDSA, we proved our ability to rise above our differences for the sake of the country. In a surge of unity and fearlessness, our people threw out a dictatorship and regained our freedom. To win our battle today, this civic solidarity must be transformed and sustained into a continuing revolution of unity, industry, resourcefulness, talent and determination.

### **Redeeming a pledge**

Many of our gallant heroes, their widows and their orphans of World War II are here with us today. Yet, many, many more are no longer with us. But surely they are with us in spirit. In tribute to them we affirm our commitment to international peace, cooperation and understanding.

We pledge not to let their heroism go to waste by ensuring that peace and freedom continue to reign in our region of Asia and the Pacific and to do our share to assure stability and prosperity for all peoples in our part of the world.

The time has come for us to redeem that pledge by our own daring and determination to overcome deprivation and sustain our freedom from poverty. Let the veterans be the first beneficiaries of our renewed efforts to attain sufficiency and prosperity. Surely they, more than others, deserve the generosity of the nation.

The Easter message of hope and joy after Christ's suffering assumes a deeper meaning for all of us. Filipinos will rise again, for nowhere in the years that passed are we so near again to the goal of progress and dignity that has eluded us for so long.

*Source:* **Presidential Museum and Library**

Ramos, F. V. (1993). *A call to duty : citizenship and civic responsibility in a third world democracy*. [Manila] : Friends of Steady Eddie.

**Speech of President Ramos at the Global Youth Earth Saving Summit, International Congress on Indigenous Peoples**

**Speech  
of  
His Excellency Fidel V. Ramos  
President of the Philippines  
At the Global Youth Earth Saving Summit, International Congress on Indigenous Peoples**

[Delivered at the Batasang Pambansa, April 14, 1993]

**Keepers of the past,  
holders of the future**

I AM DELIGHTED to address this International Congress on Indigenous Peoples, which is the world's first gathering to commemorate 1993 as the United Nations Year of Indigenous Peoples.

I note that our activities here on behalf of the world's indigenous peoples will dovetail with our celebration of Earth Day on April 22—and this supports the fond belief of environmentalists, to which I adhere—that everything in our planet is interconnected, as you have already stated here, and that seemingly unrelated events are bound together in a continuum of cause and effect.

Every little thing that we do casts a ripple of consequence in our only global home—our planet, our Mother Earth; hence the environmentalists, call to “think globally, but act locally.”

**Partners for the present**

The theme of this conference—“Indigenous People and Youth Partnership for Sustainable Development”—impresses me as one that has great promise for creating new teamwork and synergy in environmental protection.

It is truly fitting that our indigenous peoples—the keepers of the past—would join with our youth—the holders of the future—in a partnership to benefit the present. The energies and the potentials to be realized and unleashed by such a partnership are tremendous.

The youth can learn a lot from indigenous people, whose traditional ways are being held up as models for the sustainable use of our planet's limited resources.

On the other hand, indigenous people should find in the youth enthusiastic advocates of their right to live freely in their ancestral lands. Such an advocacy should add to the continuing empowerment of indigenous people.

Today, from various tribes all over the world represented here on this platform at the Parliamentary Hall of the House of Representatives of the Philippines, indigenous people are speaking out and acting against the mindless development that threatens their homes, their natural environment, their cultures and even their lives.

**Environmental horrors**

In their cause, these indigenous people have been helped by international agencies, non-Government organizations and other environmental groups. But I agree with the organizers of this conference that the cause of the indigenous people might be advanced by our youth—*ang ating mga kabataang Filipino*—in the case of the Philippines.

After all, it is today's youth that will determine the course of tomorrow's development. And a greater understanding and appreciation, by our youth, of indigenous people and their ways should lead to a kinder, more compassionate and more enlightened treatment of indigenous people in the future.

A key aim of this conference, then, is to increase contact between the youth and the indigenous people, by which each gains a better understanding of a greater respect for each other.

But it is not enough to just be enhancing our understanding of indigenous people that will save them from their plight. Much more should be done to save the world from environmental danger. For one thing, environmental degradation has reached colossal proportions. There is global warming and ozone-layer depletion. There is global climatic change. There is massive soil erosion and desertification. There is biodiversity loss of almost 100 species a day. There is acid rain and there is red tide.

These environmental horrors have outgrown national boundaries, yet for all the hope inspired by the 1992 Earth Summit, a real international effort to address these problems has still to be mounted.

In the meantime, individual nations seek to contain global environmental problems by attending to the smaller, contributory problems that can be addressed on a national and local level. Thus we have conservation and management programs for forests, agricultural lands, coastal areas and freshwater resources. Thus we have programs to control air and water pollution, and to control and recycle waste. Thus we have programs to slow down the rapid growth of population.

### **Subsistence and survival**

All of these programs cost massive amounts of money. And money is something a developing country such as the Philippines does not have much of. In truth, money is something most Filipinos have very little of. Unfortunately, such poverty results in a grim economy of subsistence and survival, which turns out to be most harmful to the environment. The painful dilemma, therefore, is how to balance our duty to take care of our indigenous people and the need of our country to develop. While, as we shall later see, these prerogatives are not mutually exclusive, they have often clashed in the past, and their collision has had tragic results for many indigenous people.

Let me elaborate on this a little bit more.

On one hand, you have indigenous people who live in ancestral lands that have already been shrunk by colonization. But because these people practice the old ways—ways that have always been harmonious with nature—their lands have retained much of their viability, much of their vitality and the rain-forest abode is still alive and relatively unexploited.

On the other hand, you have the poor peasants and landless farmers who have been driven by poverty to the lands and forests of the indigenous people. Unaware that the rain-forest ecosystem has very shallow soils ill-suited to cultivation, these tillers clear the trees, plant their crops, harvest only to abandon the land when it becomes unproductive after a few planting cycles.

In this clash of seemingly irreconcilable cultures, we see the tragic outcome: Indigenous people lose their forest dwellings, landless peasants remain as landless and as poor as ever, biodiversity is lost, and a once lush rain forest is turned into an unfertile clearing. Yet, as two rain-forest ecologists have said, “To blame colonizing peasants for uprooting tribal people and burning the rain forest is tantamount to blaming soldiers for causing wars.”

You and I know that those who cause these things are up there at my level.

### **The culprit: poverty**

So, who or what do we blame? In this case at least, the culprit can be easily identified: poverty. The solution is also simple but difficult—and that solution is development, development that is sustainable and equitable and just.

As it pertains to our forests here in the Philippines, sustainable development involves the granting of tenurial rights to farmers and ancestral domain rights to indigenous people.

For the farmers, we have an integrated social forestry program that seeks to transform tillers of the land from shifting cultivators to forest conservationists. The main vehicle for such a transformation is security of land tenure to not more than seven hectares of forest land for 25 years, renewable for another 25 years. Support services will be provided to encourage landholders to adopt profitable cropping practices, as well as sustainable forestry and agricultural methods to conserve the soil, water and other resources of the land.

For indigenous people, we have an ancestral land management program that assists cultural minorities in the management, conservation and use of forest resources in ancestral lands.

We are also encouraging our local communities and our tribal minorities to study the possibilities of ecotourism. Ecotourism not only spreads environmental awareness but also helps protect land and animal life by giving local people incentives to preserve the environment. Moreover, ecotourism helps preserve not only the natural but also the cultural heritage of the nation.

### **The ultimate test of sustainability**

The more affluent nations must now heed Mother Earth's anguished cry. Help the poorer nations attain sustainable development through the protection of our environment.

I might point out that tourism generates annual receipts of some \$230 billion worldwide, or 6 percent of total world trade. Last year, 400 million people traveled abroad, compared with only 25 million in 1950.

Unfortunately, this booming traffic of tourists also exacts a heavy toll on nature. That is why my Administration is promoting ecotourism—which recommends, for example, the sanitary disposal of toilet paper so as to avoid litter, and frowns on the use of such nonbiodegradables as plastics and Styrofoam while the person is traveling.

I am therefore pleased that a part of your conference includes the first Philippine eco-ed tours, which will take foreign and local delegates to Mount Pinatubo, the Mindoro uplands and the Cordillera.

I hope you will get to see, on your trip to the Cordillera, the ancient rice terraces of the Ifugaos in Banaue. To my mind, there is no prouder symbol of indigenous prowess or an apter testimony to a people's harmony with nature than those magnificent structures of agricultural engineering in the Cordillera. To this day, the terraces endure—but, even more important, they continue to function. And isn't this the ultimate test of sustainability—to have survived the centuries and be of use to future generations?

### **Enduring legacy**

Let us be guided by the wisdom of our indigenous brothers and sisters, and bequeath to our youth posterity and modern versions of the rice terraces in whatever form. But let us give our young people green forests, blue seas, clear streams, clean air and beautiful islands. So let us now start work on this enduring legacy.

I have just now certified as a priority Administration measure House Bill 3963, entitled "An Act Providing for the Land Code of the Philippines," which embodies many of the policy measures I have mentioned to you this morning, as well as certified as priority Administration measure House Bill 1925, "An Act Providing for the Forestry Code of 1992."

Let me reiterate the warm wishes and the goodwill of the Filipino people to all of you, our foreign friends from both the youth sector and the indigenous communities.

*Source:* **Presidential Museum and Library**

Ramos, F. V. (1993). *A call to duty : citizenship and civic responsibility in a third world democracy*. [Manila] : Friends of Steady Eddie.



**NATIONAL GOVERNMENT PORTAL – EDITED AT THE OFFICE OF THE PRESIDENT OF THE  
PHILIPPINES UNDER COMMONWEALTH ACT NO. 638**

**Speech of President Ramos at the National Press Club Gridiron '93**

**Speech  
of  
His Excellency Fidel V. Ramos  
President of the Philippines  
At the National Press Club Gridiron '93**

[Delivered at the Philippine International Convention Center, April 21, 1993]

**He who laughs—lasts**

AS YOU KNOW, this is my first Gridiron as President of the Philippines. I have seen several in the past when I was among the supporting cast of my distinguished predecessor, President Cory Aquino. But this is the best Gridiron I have seen.

I had hopes that a new era would dawn in the relations between the press and Government, that at long last, the Gridiron would be delightful, witty, short and relevant. I do not know about all the rest of the audience, but as for me, I had a nice, pleasant and restful evening—I had a good long nap.

Those brownouts surely come at the wrong time. I was praying for one to happen a few minutes ago, but I guess NAPOCOR is on the job—finally.

**Grilled**

Had I known nine months ago that the duties of the Presidency would include playing the role of a hotdog on the frying pan every single day, I might well have chosen a few bottles of ketchup for the members of the Cabinet.

But as long as you're grilling me, I think I'd much prefer to be thought of simply as a Pangasinan *bangus*. That way, when you sit down to devour me, I can stick a few reminders of myself in your gullets. And then you'll concede that "*yang si* President Ramos,*matinik talaga!*"

Some things never change, like Pilita Corrales, the Pyramids, the pressure of population on our country and Max Soliven. Max, I hope you're here. Max Soliven, who still claims, as he did thirty years ago, that he personally knows the most important people in the world. The question is: Do they know him?

Almost fifty years ago, Yay Panlilio of the *Philippines Herald* climbed the windows outside Malacañang, and Celso Cabrera of the *Chronicle* hid under tables to get scoops. Today, reporters show the same ingenuity filching documents from Edel Amante, Rod Reyes, Tony Carpio, Lenny de Jesús and Annabelle Abaya, rely on leaks by anonymous but—I assure you—soon to be discovered Malacañang functionaries and, failing in all of that, go to Joe de Venecia for a so-called official confirmation. Little do they and you, the Malacañang reporters, know that you and they could be wrong.

**Security cover**

Some things do change. Celso Cabrera is supposed to have written that when President Quirino had a P5,000 bed, which was sometimes used as a security cover, no one took this seriously. But when Louie Beltran said practically the same thing of Cory Aquino, he was convicted of libel.



I consider myself a good friend of the National Press Club, and of Celso Lagmay, your president who is an Ilocano, who has been whispering to me the whole night that he is running for re-election with Jess Sison from Pangasinan as his opponent. But being half Ilocano and half Panggalatok and since both of them profess to faithfully support, against all critics, my program of "Philippines 2000," I cannot take sides between the two of them. Maybe the best solution is for a third candidate to be elected.

It is true that I cooked not just once, but twice for the National Press Club Sunday Club. And it is equally true that all of those for whom I cooked are still alive—which was not my intention at all.

But if you must know the truth, I was just the assistant of Sol Vanzi—Sol, where are you?—at that time, so if any you have aids now, maybe it is because of her special *dinuguan*.

In fact, I have a better solution than Johnny Flavie's famous rubber device to cure aids. And it is this *pamputol ng tabako*. Very simple.

I used to plan mayhem on journalists who are overcritical of the Government. But not anymore. I am more relaxed and sophisticated now. So instead of retribution, I appoint those guys as Presidential consultants like Larry Henares. It is not true, however, that I am about to put Adrian Cristóbal in Larry's class.

And I have begun to be more selective and purposeful in the reading of newspapers. When I wake up early in the morning, glad to be alive, I read about the death notices of others in the *Bulletin*, and go window-shopping through its advertisements. If I reach the office in a foul mood, perhaps, ready to commit suicide, then I read the *Philippine Daily Inquirer*. My thoughts of suicide turn to thoughts of homicide instead. But, of course, according to Erap, this is just the tip of the ice cream.

### **Reading matter**

Now when I feel religious and want to be free of sin, I just read Betty Go Belmonte's *Philippine Star* but not Margie Holmes's column in the *Manila Times*. And when I want to read only the good news about the PLDT, I read the *Manila Chronicle* or *Malaya*. And for the good news about myself, I read the *Philippine Journal*. And, of course, Kitch Ortego's column wherever he is now. The bad news I read in all the other newspapers except *Abante*, which is censored by Mrs. Ramos.

The freest media or the foreign media describe the Philippine press as the freest in Asia. I don't believe that; that is not true. Because I am told that in our country, one cannot get a press release published for free.

But seriously now, I am happy to be here for a friendly exchange of barbs and jokes, to ease the tension of having to deal with the many problems that beset our nation today. A philosopher once said that tears and laughter, tragedy and comedy come from the same wellspring which is the incongruity of the human condition. If you slip on a banana peel, that is tragic; if someone else slips on the same banana peel, that is comic.

That is the way it is with life; whether it is tragic or comic depends on the way you look at it. If we look upon our problems as temporary obstacles to be overcome rather than permanent objectives to weaken our resolve, I say then that with the kind of sparkling wit, good humor and acting expertise exhibited here tonight to ease all of us through all the pain, eventually we Filipinos shall overcome.

### **Keep the coals burning**

Our press is one we can be more proud of than embarrassed, for it expresses and exemplifies the essence of our democracy. Surely there are excesses, but these are to be expected in an open and democratic society such as ours. And it delights me tonight to have been the object of some fun and much admiration by the media. We have to keep our sense of humor because it is good for our disposition. Remember: He who laughs—lasts.

My dear friends, I am finished with my preliminary remarks. I shall now proceed to give you my main address.

My main address is: New Borloloy Building, Malacañang, Manila, which is exactly in the same place as the old Borloloy Building.

Thank you for the privilege of being roasted. Keep the coals burning and see you next year.

*Source:* **Presidential Museum and Library**

Ramos, F. V. (1993). *A call to duty : citizenship and civic responsibility in a third world democracy*. [Manila] : Friends of Steady Eddie.

**NATIONAL GOVERNMENT PORTAL – EDITED AT THE OFFICE OF THE PRESIDENT OF THE  
PHILIPPINES UNDER COMMONWEALTH ACT NO. 638**

**Speech of President Ramos on the 42nd anniversary of the Battle of Yultong**

**Speech  
of  
His Excellency Fidel V. Ramos  
President of the Philippines  
On the 42nd anniversary of the Battle of Yultong**

[Delivered at the Libingan ng mga Bayani, Fort Bonifacio, April 22, 1993]

**A tradition of courage**

IN THE ANNALS of the Armed Forces of the Philippines, the Battle of Yultong is among its finest hours. On that day in April 1951, the 10th Battalion Combat Team of the Philippine Army wrote a testament to the gallantry of the Filipino fighting man.

A little more than a year afterward, we in the 20th BCT remembered that tradition of courage—when our own time of trial came at Hill Eerie.

This day, then, is a proud one for every Filipino soldier. But it is also a sad one—for those of us who remember comrades who died at Yultong and on other battlegrounds in Korea 42 years ago.

**Freedom is indivisible**

The United Nations forces went into Korea in the belief that if freedom is extinguished anywhere, the whole free world would be endangered.

That sacrifice of so many brave men on the Korean peninsula was not in vain. Not only was the promise of freedom preserved for the Korean people. That action manifested the determination of the democracies to resist aggression with force.

The prospect before us today is the enlargement of the frontiers of freedom and prosperity in the world. And it is only fitting and proper that we should pause to remember our comrades who gave their lives for freedom in its time of trial—in the early spring at Yultong four decades ago.

The 10th BCT was the first Philippine Expeditionary Force to Korea—which we call PEFTOK for short. It arrived in the peninsula on September 15, 1950—barely three months after the war broke out. Immediately it was plunged into the fighting to defend the peninsula from the North Korean invasion.

**The annals of Yultong**

Of the many engagements in which the 10th BCT took part—under the command of then Colonel Mariano Azurin and then Colonel Dionisio S. Ojeda—Yultong was the most memorable. Yultong was a key town in the so-called Iron Triangle, formed by the cities of Chorwon, Kumhwa and Pyonggang.

On orders from Allied headquarters, the 10th BCT on April 22, 1951, took up its position in the center of the U.N. line in defense—which also covers the area of Yultong. The 10th BCT replaced a Puerto Rican regiment, which was redeployed to another part of the line that same afternoon.

After completing their occupation of the new position that afternoon, the boys of the 10th waited—little realizing how soon the enemy attack would come. Just after sunset on that same day, the enemy jumped off from their fortified positions—assaulting in force, simultaneously, every strongpoint in the battalion's areas of responsibility.

The fighting went on throughout the night and through the next day. After stubbornly defending his platoon perimeter for seven hours, then Lieutenant Tomas G. Batilo of Able Company was captured by the enemy. Then Captain Paulino Sanchez, commanding officer of Baker Company, was wounded—together with several other casualties among enlisted members of the line units.

The commander of the 10th BCT's tank company, Captain Conrado Yap, held his men steady against the enemy attack. His gun crews fired as fast as they could. In Captain Yap's sector, the attackers fell at the rate of 17 to 1.

Despite orders to withdraw from Major General Robert Soule, commanding general of the 3rd Infantry Division, U.S. Army (to which the PEFTOK unit was attached) the 10th BCT—true to its motto of "Steady On"—stood fast up to the afternoon of the following day, the 23rd.

The 10th BCT would not withdraw, because one of its platoons—the one commanded by Lieutenant José Artiaga Jr.—had been overrun by the enemy. Artiaga and his men were defending a strategic hill in the village of Yultong—a key point in the whole battalion's defensive network. Wave upon wave of assaults broke against Artiaga's position—until finally the enemy prevailed.

The Filipinos would not leave without their dead and wounded. Captain Yap organized a mission to assault the hill now held by the enemy—to recover the bodies of the dead and to collect the survivors. The fierceness of the 10th BCT's counterattack smothered enemy resistance and—for a brief while—the hill was back in Filipino hands.

Captain Yap—his mission accomplished—now ordered a withdrawal. While making a head count of his boys and directing the withdrawal, he was hit by machinegun fire. Like Lieutenant Artiaga, he was killed in action at Yultong.

The "Fighting 10th" came home in triumph—having written a glorious page in the Filipino martial tradition.

### **The spirit of Yultong**

It is that tradition we uphold today—through these simple ceremonies—which we undertake jointly with the ambassador of the Republic of Korea, who has graciously come to commemorate this day with us. This day, too, marks the growing partnership of the Filipino-Korean peoples in the new battle for the development and sustained progress of the Asia-Pacific region.

I urge all of you—comrades and friends: fellow veterans of the Korean War—to rededicate ourselves to the spirit of Yultong.

Today, our country calls on us to live—and not to die—for it. But the civic responsibility we now bear is in every way as grave as it was 42 years ago. The new enemy is poverty, and fighting it, each one of us is called upon to take up his share of civic responsibility.

Steady on. This is the same call I ask of our nation and of all freedom-loving Filipinos.

Steady on as we face the challenge of our present problems.

Steady on as we seek a just and lasting peace for the country.

Steady on as we build our nation, and unite our people. May God grant that we carry out this mission as gallantly as our dead comrades did, when sacrifice was asked of them.

*Source:* **Presidential Museum and Library**

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**NATIONAL GOVERNMENT PORTAL – EDITED AT THE OFFICE OF THE PRESIDENT OF THE  
PHILIPPINES UNDER COMMONWEALTH ACT NO. 638**

**Speech of President Ramos at the Filipino-Chinese Businessmen's luncheon**

**Speech  
of  
His Excellency Fidel V. Ramos  
President of the Philippines  
At the Filipino-Chinese Businessmen's luncheon sponsored by the China Council for the Promotion of  
International Trade**

[Delivered in Guangzhou, China, April 29, 1993]

**Building  
historic friendship**

**on**

**a**

THANK YOU for this excellent opportunity for our entrepreneurs to meet, and thank you for that sumptuous luncheon. I think I understand now why frequent travelers to China often tell new visitors to “sightsee in Beijing, shop in Shanghai, but dine in Guangzhou.”

This is not, of course, the first time that a leader from my country—indeed, from my part of the Philippines—has come to China. Historians record that early in the fifteenth century, envoys from what was known to Chinese geographers as *P'ing-chia-shih-lan*—my home province of Pangasinan—visited China many times.

**Partnership of the past**

Philippine contact with China goes back even earlier, to at least the tenth century. When the Spanish explorer Legazpi landed in Manila in 1571, he encountered a colony of more than a hundred Chinese residents engaged in mercantile activities.

We can look today with pride and a deep sense of gratification to that history of Filipino-Chinese friendship and cooperation. In the Philippines, the Filipino-Chinese community continues to be a major contributor to our economic health and to the richness of our culture.

We hope to reciprocate by introducing you to the best of has to offer.

I come to China in the same spirit shown by your forebears who visited Philippine shores hundreds of years ago. This time, however, we have come not only to exchange goods with you but also to learn and benefit from your experience as we work to improve our infrastructure, to develop our natural and human resources and to expand mutual economic and investment opportunities.

We are elated at China's success in harnessing its productive forces. It has contributed not only to the flowering of increased regional economic cooperation in East Asia but also—and, more important—to regional peace and stability. The economic reforms adopted by the Chinese government and the industry of the Chinese people, combined with the similar efforts of East Asian nations, have boosted the region's already robust economy.

**From peace to prosperity**

We share that vision and purpose. We, too, want peace and prosperity for our people. We have much to learn from your splendid example. I firmly believe that, with your help, we can perform as capably, to our mutual benefit as close neighbors and blood brothers in Asia.

Last June 30, 1992, I assumed the Presidency of the Republic of the Philippines to fulfill my people's mandate to achieve a better quality of life for Filipinos. I took my oath in the sobering awareness that much remained to be done—that democracy without material growth and equitable distribution of benefits would be meaningless and short-lived; that prosperity would proceed only when we had secured our political stability and social cohesion.

Today, we have more than survived. We have recovered our health and confidence, and—most important—we have strengthened our stability and cohesion as a national society.

Certainly, we have many problems that remain to be addressed. But with right attitudes and right policies, many of these are actually opportunities for growth.

We invite the Chinese people and government to maintain and reinforce our partnership of the past, and to maximize the opportunities of the present to strengthen the good will, the talents and the resources existing between us. I assure you that it will be well worth your time, your investment and your faith in our capabilities.

### **Expanding offshore**

You may find that we are driven by the same entrepreneurial spirit that this vibrant city of Guangzhou exemplifies so well. The modern infrastructure and the bustle of business are unmistakable signs of progress. The 18.7 percent growth rate of your gross domestic product last year is the envy of even First World economies. The drive of your people to succeed in business propels the economy of Guangdong Province to unprecedented prosperity.

Your government's policy of opening up to the outside world is the basic economic reform that is being set in place, by granting Chinese enterprises autonomy—including the choice to enter into different forms of international economic cooperation.

May I suggest that equally important is expanding your operations to other countries.

There are several benefits to be gained by moving offshore to neighboring countries such as the Philippines.

First, your enterprise will gain a wider market for your products. This exposure to a new environment will enable you to adapt your products more easily to the needs of that market.

Second, opportunities to share in the growth of science and technology of the host country will be open to you.

Third, your enterprise can avail itself of the trade arrangements of the host country with other territories, such as the general system of preferences extended to developing countries or the free-trade arrangements among neighboring countries.

The Association of Southeast Asian Nations has agreed to reduce its tariff on products coming from the member-countries in the next 15 years. Thus, expanding your operations in any of the ASEAN countries will mean an additional market of more than 350 million people.

Lastly, your enterprise can avail itself of the benefits accorded to foreign investors by the host country through preferential investment policies.

As your closest neighbor to the south, the Philippines offers these advantages to your enterprise.

### **On the road to progress**

While the growth of the Philippine economy may not have been as remarkable as yours, we are well on our way to some real and lasting progress. This has been made possible by a strategic redirection in our economic and foreign

policies—to open up the Philippines for greater economic cooperation and development. We have come to realize, as you have, that cooperativism and private entrepreneurship are crucial to achieve competitiveness for our agriculture and our industries, locally and globally.

Thus we are doing all we can, within the bounds of prudence, to liberalize, deregulate, democratize and privatize key sectors of our economy.

We have liberalized our foreign-exchange regulations and the rules governing foreign investments, ending four decades of tight foreign-exchange controls.

We are bringing down interest rates further by opening the banking system to more competition, including the entry of foreign banks in areas previously closed to them.

We have liberalized the rules on investment in terms of taxes, procedures and debt-equity requirements. We intend to strengthen the security of tenure of foreign investors over the site of their factories and to liberalize nationality requirements for investments.

We have embarked on a massive infrastructure program in power, highways, seaports, airports and telecommunications, with the significant participation of the private sector, domestic and foreign, through build-operate-transfer and similar programs. The temporary shortage of power in our islands, for example, is being steadily relieved with the help of private investors.

And all over the country, we have identified and opened the most suitable areas to receive foreign investments and enterprises. These include the vast and excellently developed Subic Bay area, recently vacated by the United States Navy and now a prime entrepreneurial location; the CALABARZON region just south of Manila; and the great island of Mindanao, rich in natural resources and a strategic transshipment point.

All these give us much reason for hope in the next seven years. We are confident of achieving an average growth rate in our gross domestic product of six to eight percent, which should raise our per-capita income from US\$800 in 1992 to US\$1,000 in 1998. This is our vision called “Philippines 2000.”

### **The Asia-Pacific century**

My friends: we stand on the threshold of a new and exciting century that has already been called, by impartial observers, “the Asia-Pacific century.” Here in our region the most dynamic growth is taking place. Here the most profound social transformations are bound to happen.

What will remain unchanged are our centuries of cultural and economic interactions based on a common culture of understanding and cooperation that cannot be found in any other part of the world.

In terms of Philippine-Chinese friendship of almost a thousand years, your continuing participation in our economic growth will always be appreciated.

I close with a rousing shout of *mabuhay* to our Chinese friends. *Mabuhay* means many things in the Philippines. We say *mabuhay* to our friends, for it means hello, it means goodbye; it means welcome, it means till we meet again. We say *mabuhay* to our heroes, *formabuhay* means victory, bravo, well done! *Mabuhay* also means the food was delicious; let us compliment the host. But *mabuhay* sincerely means a long life and good health to you—not just a long life of many years, but a good, useful and prosperous life accompanied by continued success and enduring happiness.



Ramos, F. V. (1993). *A call to duty : citizenship and civic responsibility in a third world democracy*. [Manila] : Friends of Steady Eddie.

## **Excerpts from a Speech of President Ramos during his visit to Lingayen, Pangasinan**

### **Excerpts from a Speech of His Excellency Fidel V. Ramos President of the Philippines During his visit to Lingayen, Pangasinan**

[Delivered in Lingayen, Pangasinan, May 2, 1993]

I'LL TELL you a story about Lingayen Gulf. Twelve years ago I was invited by Mayor Marcelo C. Navarro of Bani to visit the coastal barangays of his hometown because, he said, I would find the best fishing and scuba areas there. So I went to visit him. I didn't realize this would entail a ten-kilometer ride from the *población* over a very difficult dirt road to that barangay. But finally we got there. He had lined up the barangay captain and all the barangay *kagawad* to greet me, including the fisherfolk. And I went through the line, started shaking their hands. But as I shook each barangay official's hand, I noticed that he had at least two or three missing fingers. What is the explanation for this? Very simple. The barangay officials had been involved in blast fishing, which is illegal. At that time, 12 years ago, that was probably the way they could survive.

#### **Our Gulf War against poverty**

Times have changed. Lingayen Gulf has deteriorated and maybe we had, as a country, become even poorer. And so I hope you realize that this Lingayen Gulf War is not just a war against illegal fishing. Neither is it just a war to preserve the resources of Lingayen Gulf and make it a source of sustainable livelihood and become an area for sustainable development for all of us. This is really a smaller part of our great war against poverty in Philippine society. This is a war against the lack of privilege, the lack of opportunity and the lack of resources for our people.

It is so unnecessary to be losing fingers or limbs or even lives just to get a daily catch of fish. Certainly you and I, with the God-given talents we have as human beings, plus our special talents as Pangasinenses and as Ilocanos, can do better to provide the marginalized people in our society with a better means of livelihood. And that is the greater challenge that faces us beyond preserving the Gulf.

Let me keep reminding you about the crippled fishermen in that barangay. They had to risk life and limb in order to catch enough to feed their families and maybe have a little extra—not much—for the education of their children. That is the challenge that faces us.

#### **Penalizing environmental degradation**

I have just come from China and what I saw there is a mix of some of the problems that also face us—the need to redistribute the wealth and power of the community. That is still a problem for them there. But they're farther ahead than we are. I saw some of the good things they are doing—developing the countryside and putting together a balanced combination of agricultural modernization and productivity together with intense industrialization, at the same time respecting the need to preserve the environment.

In China those who violate environmental laws are punished quickly and severely. And what is admirable there is that a consensus prevails to preserve the environment because the Chinese see it as the key to their future growth and ultimate survival.

We are lucky because while we do want our penal system to be such, that we should be as harsh as possible to those who violate the environment, the penalties are not severe enough. I am saying we are lucky for now. But I am going to push for legislation that will harshly penalize violations of our ecological and environmental resources.

So let us spread this message: That it is from Lingayen Gulf and its environs and the resources around it where we shall derive our economic growth and our ultimate survival if we are to be, as we aspire to be, an economic dragon, at least a small economic dragon by the year 2000.

And so I hope you are all ready to join me in wading through the waters of Lingayen Gulf. It is like a baptism of sorts on this Sunday morning. And I am sure the Good Father will bless all of us in the name of the Lord when we go there and wet our feet, our hands, our faces, our waists, our chests, our arms in the waters of Lingayen Gulf, which we pledge to protect in this declaration of war.

Excerpts from a speech given during a  
visit to Lingayen, Pangasinan, May 2, 1993

*Source:* **Presidential Museum and Library**

Ramos, F. V. (1993). *A call to duty : citizenship and civic responsibility in a third world democracy*. [Manila] : Friends of Steady Eddie.

## **Speech of President Ramos on the launching of the Department of Agriculture's Medium-term Development Plan**

### **Speech of His Excellency Fidel V. Ramos President of the Philippines On the launching of the Department of Agriculture's Medium-term Development Plan**

[Released on May 3, 1993]

#### **Agriculture 2000**

THIS is an opportune time for me to reiterate to you our vision to be a newly industrializing country by the turn of the century. My recent visits to our more prosperous neighbors in Asia confirm my belief that we should vigorously pursue that vision through the seven growth strategies that these economic dragons have followed.

First is the commitment to a "planned free-market economy"; second is giving the people a stake in development; third is industrializing from a base of agricultural productivity; fourth is encouraging a high saving rate; fifth is developing an educated workforce; sixth is fostering export industries; and seventh is building a solid infrastructure.

#### **Two pillars of industrialization**

Each of these seven strategic keys of our Medium-term Development Plan is included in the theme of your celebration of Farmers' and Fishermen's Month. We all know that the two pillars of successful industrialization are trade and agriculture.

The theme of your celebration, "*Kalakalan at Sakahan: Lakas ng Sambayanan*", confirms this seven-point strategy I have just enumerated. This shows the Government's commitment to the welfare of the farmers and fishermen.

We will help you increase your capacity to produce in a way that would ensure higher incomes for you and your families to strike a balance between abundant supply of goods and the resultant decline in market prices.

#### **The Medium-term Agricultural Development Plan**

I am very happy that besides today's scheduled dialogue, we are also launching here the Medium-term Agricultural Development Plan. Guided by this vision toward a stable and prosperous nation, we aim to push agricultural development as fast as we can. Because we are aware of the needs and potentials of the regions, we have developed the concept of key development areas.

I congratulate the Department of Agriculture for this innovative approach that we are carrying out for the first time.

In each key development area we have determined what type of produce is best suited to the soil, climate, culture and markets there. Following this program, I am sure that our farms and fisheries will be more productive. With an increase in productivity, we will assure our countrymen not only of their basic necessities but also of surplus products for export. These products will be competitive in their quality and market price abroad.

Following these plans, especially that of the Grains Production Enhancement Program, we believe that approximately 1.9 million hectares of rice and corn will be sufficient to meet the needs of our people. At present about 5 million hectares are devoted to rice and corn. Hence, with this program, we will be able to revert about 3.1 million hectares of land as pasture or as land that can be used for export products or for industry.

#### **The Medium-term Livestock Development Program**

Another concern of ours is the Medium-term Livestock Development Program, which will be carried out in the “key livestock development areas” of 37 provinces. This program aims to stop the decrease in our population of cows and carabaos, and to stimulate their growth. At the same time, we would like to boost the dairy and meat-processing industries, as well as increase the production of pigs, chickens, goats and sheep.

In fishing, we also have our “key fisheries development areas.” The Department of Agriculture, through its fisheries sector program, will rehabilitate and revitalize these fishing areas, especially on our coasts. The program aims to lessen the burden of our fishermen, improve their productivity, conserve our maritime natural resources and assure our countrymen of a continuous and progressive fishing industry.

### **Let’s work together**

These plans and programs all look good. But we will not succeed without cooperation.

The primary responsibility of the Department of Agriculture is the empowerment of our farmers, following the people empowerment philosophy of my Administration. I would like to empower you, our farmers and fishermen, through my support to cooperatives and farmers’ organizations. We hope that by these means, your capabilities will be strengthened for acquiring sufficient capital, markets and facilities for storage, processing and farm-to-market delivery.

Before we begin the open forum, may I again request your cooperation and participation in our programs. Together, let us move agriculture forward and achieve our dream of a progressive, prosperous and stable society.

*Source:* **Presidential Museum and Library**

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**Speech of President Ramos at the 26th annual meeting of the board of governors of the Asian Development Bank**

**Speech  
of  
His Excellency Fidel V. Ramos  
President of the Philippines  
At the 26th annual meeting of the board of governors of the Asian Development Bank**

[Delivered on May 4, 1993]

**The  
role of the ADB**

**expanded**

ON BEHALF of the Philippine Government, I am pleased to welcome the board of governors and their guests to this 26th annual meeting of the Asian Development Bank.

When the Bank was founded more than two decades ago, Asia was just beginning to emerge from the destruction of the Pacific War—and years of colonial rule. In many of our countries, the concept of nationhood was just taking root—and economic development merely a distant dream.

But since then nationality has become established and the beginnings of regional cooperation laid down. Governments, entrepreneurs and managers have buckled down to work—producing in East and Southeast Asia the most successful experiments in economic transformation and growth the world has ever seen.

**The ADB'S role in regional growth**

Taken as a whole, the member countries of this Bank have turned in the fastest growth rates ever known in economic history. They achieved in the span of a generation what took the mature countries many decades to accomplish.

Today, the first set of Asian newly industrialized countries, which emerged in the sixties and seventies, has joined the ranks of the industrialized countries. A second set is following the trail the first ones blazed, and still other Asian aspirants to newly industrialized country status are not too far behind.

In perspective, the Bank has been a major investor in the region's growth—an investor not only of financial capital but, even more important, of faith in the will—and in the capability—of Asian peoples to lift themselves up.

But the Bank's job is far from over. Now it faces the challenge of pushing the rest of Asia into the forefront of growth in the twenty-first century.

To a meaningful extent, the sterling performance of this region's economies can be attributed to the financial support, management expertise and moral encouragement provided by the Bank. Through its support for poverty-reducing programs, the Bank was able to free many countries from the shackles of underdevelopment—and to tap their people's potentials to the fullest extent.

The Bank's lendings in various areas—from infrastructure and small-scale industries to agriculture and human-resource development—sparked growth and widened the access of the masses of Asians to livelihood opportunities in which agricultural productivity, rapid industrialization and vigorous export activities are rooted.

**Modifying development strategies**

The strategies of development pioneered by the first wave of newly industrialized countries can be replicated in the other countries. But those strategies must first be modified—to suit local cultures and unique national circumstances. And they must conform to changed conditions in the larger world economy.

By and large, the first Asian newly industrialized countries developed their economies under political systems which restrained opposition and concentrated state power in the government leadership.

But in our time this kind of political hegemony is no longer available—at reasonable cost—to any Asian government. And the reason is that ordinary people everywhere have awakened to their political entitlements. They have become acutely aware of their democratic rights.

The Asian middle class—the initial beneficiaries of economic growth—leads this popular demand for more equitable participation in national decision making.

Today no Asian government can continue to make policies in secret. Public policies must be discussed—and carried out—openly, transparently and thoroughly if they are to become accepted by electorates and constituencies, and by foreign economic partners. This process not only requires more and better information; it also requires that such information become widely available to the people. Those groups adversely affected by reforms must be made to understand that the negative effects are temporary; and the benefits significant and far-reaching.

### **The costs of competitiveness**

As Asian countries enhance their competitiveness and open themselves to increased cooperation in trade, investment, technology transfer and tourism, the Bank may find itself increasingly financing the costs of achieving greater competitiveness.

Besides its usual portfolio of project loans, the Bank must involve itself increasingly in structural reform programs—which are necessary as countries shed trade barriers, reduce subsidies, dismantle monopolies and abolish cumbersome regulations. Equally important, the ADB must also support increased national, regional and global concerns for the protection of the environment under the principle of sustainable development.

Indeed, the role of the Bank will have to expand—and accordingly, its available resources should also expand. For this enhanced role, the Bank will surely have to look into ways of raising its resources more and more. This expanded role and its corresponding increased requirements, I trust, will be among your priority concerns at this meeting.

Before this forum, I must express my country's deep gratitude for the help that the Bank has extended to the Philippines in so many ways.

As you all know, we recently emerged from the economic ruin brought about by a predatory dictatorship, whose downfall was attended by a spate of both natural and man-made disasters. That prolonged crisis was considerably eased for us by the Bank's generous help. It provided the Philippines with an increased level of program support and quick-disbursing facilities, special financing packages and a higher allocation of concessional financing.

### **The Philippine situation**

Today our economy is ready to return to the ways of growth. A stabilization program, begun in 1991, has reversed the macroeconomic imbalances which had sent inflation and interest rates soaring beyond 20 percent.

Inflation here is down to 7.8 percent and lending rates are settling down steadily toward more comfortable levels. Despite the dampening impact of the power crisis and national elections held last year, investment grew more than 10 percent in real terms—exceeding our most optimistic projections.

The external debt problem has been brought down to manageable proportions. International reserves are at an all-time high, and more and more investors are beginning to see the potentials of Philippine investment. New money continued to come in at higher volumes during this first quarter just passed.

Structural reforms have been put in place in many areas. The most recent ones allow the wider entry and participation of foreign investment, and special powers Congress has granted allow me to deal with our electric power problem once and for all. In our energy needs, we have been encouraged by recent discoveries of oil and gas in our western province of Palawan—in quantities apparently sufficient to assure us of substantially reduced dependence on foreign sources.

Several Administration bills of major economic importance are now awaiting enactment by Congress. These include revenue measures to generate additional collection and to plug leakages in the tax system, as well as a bill that strengthens the Central Bank in its tasks of energizing the economy and controlling inflation. And there is a proposed landmark measure to open more widely the Philippine banking industry to foreign participation.

We are at the same time reviewing regulations that deter economic efficiency and business effectiveness. Those rules that have allowed pockets of inefficiency to thrive in transportation, power generation, telecommunications and financial services, among others, shall be removed. And we are contemplating executive measures that will both expand and speed up the privatization program and generally streamline the public sector.

### **Development with democracy**

Outsiders have often remarked on our national obsession with politics—contrasting so sharply with our oligarchic economy. We are trying to reconcile one with the other. And we are doing so—not by discarding our representative system (as well-meaning outsiders advise us)—but by democratizing our economy.

Authoritarianism we have known. For us it failed miserably; and we are still paying its price until now.

Today we are trying to substitute competition for the mercantilist regulations that have governed for centuries the production and distribution of wealth in this country.

True enough, our democracy has its frailties and its excesses. But these can be restrained by the spirit of self-discipline and the culture of competitiveness we seek to instill in our people.

The key to self-discipline and competitiveness, it seems to me, is for people to take part in the vision—and in the practical tasks—of development. Individuals must have a personal stake in development. And that stake must be defined in material and economic terms because we cannot celebrate a democracy of the poor, the hungry, the ignorant and the sickly. No such democracy would endure.

### **Practical and achievable goals**

We aim to establish a democracy of rights, of opportunities, of means and of competitiveness. This ideal is embodied in my Government's vision of "Philippines 2000." "Philippines 2000" is a nationwide strategy for Philippine development over the next seven years. In conjunction with our Medium-term Philippine Development Plan for 1993-98, it is meant to set our country on the road to newly industrializing status by the turn of the century. It has practical and achievable objectives within the Plan period, which include raising the per-capita income to US\$1,000, achieving a GNP growth rate of 10 percent and reducing the incidence of poverty from more than 50 percent to 30 percent.

Let me emphasize those two words: *practical* and *achievable*. We do not expect to achieve economic miracles within seven years. That would be wishful thinking. But by then we shall have put the foundations in place, prepared the structures and the environment—cleared the underbrush and the debris, as it were—for self-sustaining economic growth and development.



And this we have begun to do by formulating a Medium-term Philippine Development Plan for 1993-98, founded on two principles: competitiveness and total human development, or people empowerment. These two major considerations form the policy framework and implementing programs of my Administration.

We have to learn to increase national competitiveness by our own wits and our own energies; but also, we have to develop the capabilities of each Filipino, Filipino household, Filipino company and Filipino community—so that they may compete successfully, and achieve the fullness of their potentials. By this, the dual interests of development and democracy would have been well served.

The reforms now being carried out in the Philippines are also being done—with varying levels of intensity—in many places in Asia. This is a good trend that the Bank would do well to encourage.

As deregulation, liberalization, privatization and democratization proceed, they will spur our productive potentials even more.

### **Toward freedom**

Given increasing economic interdependence and cooperation, growth in one country will generate growth in neighboring economies. And as growth spills over from country to country, yet more Asians will break free from their bondage to poverty.

Reform is never easy. But temporary reverses should not discourage us. Given greater resolve and more persistence, the goal of sustainable development—which not too long ago was just a distant dream for many Asian countries—should be much clearer, must be nearer than we had thought.

That Asia can look forward confidently to the future it owes in large measure to the ADB's work during its first quarter century. You have much to be proud of—and high standards to keep up—as you begin your second half-century.

Our people are greatly honored to host this meeting, and equally proud that the Philippines has been the birthplace and has always been the headquarters of this noble international institution.

May you have a most successful conference and may you all enjoy your stay with us.

*Source:* **Presidential Museum and Library**

Ramos, F. V. (1993). *A call to duty : citizenship and civic responsibility in a third world democracy*. [Manila] : Friends of Steady Eddie.

**Speech of President Ramos at the Employers' Conference of the Philippines' National Conference of  
Employers Speech  
of  
His Excellency Fidel V. Ramos  
President of the Philippines  
At the Employers' Conference of the Philippines' National Conference of Employers**

[Delivered at the Hotel Nikko Manila Garden, May 5, 1993]

**Tripartism: the key  
to growth**

THANK YOU for inviting me to your conference, which comes, fittingly enough, close on our celebration of Labor Day four days ago.

I believe it was John D. Rockefeller—perhaps he was being ironic—who said that the power to create money is a gift of God. It may have been more correct to say this of the power to create jobs.

Of course, we are talking about one and the same thing. Yet it seems to me that in the creation of wealth, the critical bond between employers and employees has often been overlooked.

**Three forces of production**

Indeed, from the time of Adam Smith to that of Marx, from the heyday of the Rockefellers to the present era of the global economy, one thing has remained constant: those who employ and those who are employed are still the two greatest forces of production. Government has been a third—and increasingly powerful—force. But I have always believed its role to be that of overseer, and at most catalyst, of the ever dynamic bond between capital and labor.

This is why I am attracted by the theme of your conference: “Shared Destiny, Shared Responsibility: Strategy for Global Competitiveness.” The idea of a shared future achieved by a common and shared effort fits in perfectly with my Government’s underlying principles of people empowerment and global competitiveness.

In labor-management relations, people empowerment and participation in the new era of intense global competitiveness are best fostered through tripartism. Of course, even before people empowerment became the central plan of my Presidential platform, tripartism had already been incorporated, in 1974, into the Labor Code.

Tripartism recognizes that each sectoral partner—workers, employers, government—has a unique role in social and economic development, as well as in specific aspects of labor relations, labor protection and welfare. Our experience, however, has been that as each sector pursued its role—largely to its self-interest—conflicts have arisen.

**Tripartism: the key to growth**

Reducing conflict and dismantling the adversarial relationship between employers and workers is a never-ending quest. While this has been repeatedly undertaken by our three sectors, much remains to be done. As long as the conflicts between labor and capital remain unsettled, their combined participation in national development cannot be maximized.

May I ask you then the same favor I asked of our nation’s workers last Labor Day—which is to reduce, discard and eliminate, if possible, whatever tensions there are between you, and to try to accommodate each other in a spirit of undertaking, compromise and integration.

This means that you should try to see labor in a different light, acknowledging the role of labor organizations as legitimate instruments for workers' rights. You must not discourage free collective bargaining as long as it is consistent with constitutional and democratic principles.

For its part, Government will not pay lip service to tripartism but will institutionalize it in policy making at all levels. We will encourage the emergence of strong representative organizations on both sides, enhance their participative elements, and provide the structure through which consensual decisions and actions by the three sectors will take place.

Indeed, my Government has gone a long way to manifest its commitment to tripartism. I have appointed to national tripartite bodies and agencies only those candidates who have been nominated by workers' and employers' organizations. This I have done without exception.

At the same time, I have expanded sectoral representation in such vital and sensitive agencies as the Energy Regulatory Board, the Monetary Board, the Board of Investments, the Council of Advisers to the Department of Energy, and the Presidential Council on Countryside Development.

I have also nominated six labor representatives to the House of Representatives. The nomination of these labor representatives to Congress is unprecedented—outnumbering the appointive representatives from the other sectors.

### **Economic recovery and national development**

Of course, at one of my meetings with business groups, I was asked to consider the possibility of appointing an employers' sectoral representative to the House of Representatives. I explained to your leaders that the Constitution reserves the sectoral representatives for the poorer and less advantaged segments of society, which the Employers' Confederation of the Philippines does not represent. I am sure any of the employers here present can well afford to run for election to the regular Congress if he or she so wishes.

But to prove my good will and sympathy for the Confederation, I'm offering any of you who indeed wishes to run for Congress a slot in our Lakas-NUCD-UMDP Party.

Seriously speaking, I'm all for the strengthening of workers' and employers' representation in Congress.

Right after I assumed the Presidency, I directed the convening of a national tripartite conference, which I attended. The agenda of that conference led to the discussion of such critical policy issues as human resource development through apprenticeship; subcontracting; speedy labor justice; the improvement of productivity; and labor-management integrative cooperation.

Not surprisingly, these are also key issues in economic recovery and national development—which underscore the indispensable place of our tripartite teamwork, and the tripartist philosophy, in our nation today.

### **“Philippines 2000”—our strategy**

Indeed, the Medium-term Development Plan and the “Philippines 2000” strategy aim to realize our tripartite vision for the country. To achieve this, we will have to prime the pump over the plan period at a cost of some P700 billion—50 percent of which will be spent on building infrastructure. Such pump priming will focus on energy development and other public-investment programs like road networks, bridges, telecommunications, water conservation and irrigation, postharvest facilities and social infrastructure.

By 1998 per-capita income is projected to increase to at least US\$1,000 and poverty incidence reduced to 30 percent, or lower, of the total population.

I am confident that we can still hit these targets in spite of the power crisis and its adverse effects on industrial output, employment and investment. We are doing all we can—aided by the Electric Power Crisis Act of 1993—to address the power situation firmly and decisively.

I am confident that my Government, supported by the private sector, availing itself of Board of Tourism and similar arrangements, will remain on track to provide the physical infrastructure and create the right climate for trade, investment, technology transfer, tourism and resource mobilization needed for growth.

This is a commitment I reiterate to you and to our people.

Today our economy is ready to return to the ways of growth. A stabilization program—begun in 1991—has reversed the macroeconomic imbalances which had sent inflation and interest rates soaring beyond 20 percent.

Inflation is down to 7.8 percent and lending rates are settling down steadily. Despite the dampening impact of the power crisis and national elections held last year, investment grew more than 10 percent in real terms—exceeding our most optimistic projections.

The external debt problem has been brought down to manageable proportions. International reserves are at an all-time high, and more and more investors are beginning to see the potentials of Philippine investment. New money continued to come in at higher volumes during this first quarter just passed.

### **Preparing for takeoff**

Structural reforms have been put in place in many areas. The most recent ones allow the wider entry and participation of foreign investment, and special powers Congress has granted to allow me to deal with our electric power problem once and for all. In our energy needs, we have been encouraged by recent discoveries of oil and gas in our western province of Palawan—in quantities apparently sufficient to assure us of substantially reduced dependence on foreign sources.

Several Administration bills of major economic importance are now awaiting enactment by Congress. These include revenue measures to generate additional collection and to plug leakages in the tax system, as well as a bill that strengthens the Central Bank in its tasks of energizing the economy and controlling inflation. And there is a proposed landmark measure to open more widely the Philippine banking industry to foreign participation.

We are at the same time reviewing regulations that deter economic efficiency and business effectiveness. Rules that have allowed inefficiency to thrive in transportation, power generation, telecommunications and financial services, among others, shall be removed. And we are contemplating executive measures that will both expand and speed up the privatization program and generally streamline the public sector.

We are indeed now poised for takeoff.

I have given my word, and I will do my share. You, the nation's employers, working with the other sectors, must now do your share—and more—to achieve our vision of "Philippines 2000."

*Source:* **Presidential Museum and Library**

Ramos, F. V. (1993). *A call to duty : citizenship and civic responsibility in a third world democracy*. [Manila] : Friends of Steady Eddie.

## Excerpts from a Speech of President Ramos before the Multisectoral Assembly

### Excerpts from a Speech of His Excellency Fidel V. Ramos President of the Philippines Before the Multisectoral Assembly

[Delivered at the Zamboanga del Norte Cultural Center, Dipolog City, Zamboanga del Norte, May 8, 1993]

#### **Sustaining our vision of growth in the South**

I AM HERE to ask you, the leaders of Zamboanga del Norte and the twin cities of Dipolog and Dapitan, if you have a plan for “Zamboanga del Norte 2000,” “Dipolog 2000” and “Dapitan 2000.” Because we must now think in those terms and set aside the secondary considerations of partisan politics or our vested and family interests. We must now look forward to the vision of making the Philippines a newly industrializing country—an emergent dragon—in the next few years.

Our vision for “Philippines 2000” is based on two important principles, which inform our platform of government. First, the *empowerment of our people*. This is not an empty democratic principle; it is an economic necessity. Its aim is to make the people productive as economic units; as individuals, as families, as households, as cooperatives, as people’s organizations.

The second principle is *global competitiveness*. That is the name of the game outside, competitiveness of the bureaucracies. Our bureaucracy must be as good as if not better than those of other countries because what is going to bring in any investments, trade and tourism is efficiency in government at the national and local levels.

Our educational system must be as competitive as those in other countries, so that we can produce talents and skills on a par with the young people of Thailand, Indonesia, Malaysia, Singapore, China and others.

Our products must be competitive. They should be of such high quality that they can sell in the markets not only of Dipolog or Manila but also of the world. . . .

Our people are proficient in computers. Maybe because they start playing video games at an early age. That is good. But do you know what China is doing now, because it wants also to be competitive? It is exposing its Grade 1 pupils to computers. One computer for every two pupils! Mrs. Ramos saw that in an elementary school in Guangzhou (Canton).

Can you imagine the advantage of those Chinese kids? Give them another ten years when they become high school seniors and about to enter college. That is the kind of global competition out there.

But we must not be deterred. The Philippines is in the strategic center of Asia and the Pacific. Dipolog and Zamboanga del Norte are very close to the strategic center of the Philippines, having access to other regions, to Palawan, which is fast-growing as a growth center, in the middle of the South China Sea, the main passageway for this dynamic, economic area called Asia and the Pacific.

I challenge you to seize the initiative, the advantage, and to work together with the rest of the country to bring about a progressive “Philippines 2000.”

Excerpts from a speech given before the Multi-  
sectoral Assembly, Zamboanga del Norte Cultural Center,  
Dipolog City, Zamboanga del Norte, May 8, 1993

*Source:* **Presidential Museum and Library**

Ramos, F. V. (1993). *A call to duty : citizenship and civic responsibility in a third world democracy*. [Manila] : Friends of Steady Eddie.

## **Speech of President Ramos before the Pacific Basin Economic Council**

### **Speech of His Excellency Fidel V. Ramos President of the Philippines Before the Pacific Basin Economic Council**

[Delivered in Seoul, South Korea, May 24, 1993]

#### **Toward greater freedom**

A VISIT to the Republic of Korea is for me almost like a homecoming. Since arriving over the weekend, I have been recalling old times with comrades-in-arms from the Korean War. Forty-three years ago this June, United Nations forces came to Korea—in the belief that if freedom were extinguished anywhere, the whole world would be diminished. The Philippines was part of those U.N. forces, I soldiered here in 1952 as a lieutenant-platoon leader in my country's 20th Battalion Combat Team, which took part in many battles around the 38th parallel, not far from here.

Today as we plan the future growth of the Asia-Pacific region, it is only fitting that we look back to that time—to acknowledge the Republic of Korea's heroic role as part of the worldwide perimeter of freedom. Behind that perimeter of freedom our separate nations have been given a breathing spell to grow and prosper in peace and freedom.

#### **Mutual security based on economic interdependence**

In the age of the Cold War just past, great powers typically progressed from economic strength to military power—and then to imperialism.

Today no state need aspire to hegemony—because it can attain its goals through peaceful commerce and integration in the community of nations. A truly global market has risen and it is founded not on force but on mutual benefit.

In our time, economic interdependence binds separate nation-states together and reconciles even the most bitter enemies. Against the gravitational pull of mutual benefit, ideology cannot prevail, and even the most obstinate nationalism must give way to economic cooperation and synergy.

We all remember when the multinational corporation was the bogeyman of our economic nationalists. Between the foreign company and our resources of land, subsoil and sea, nationalists set up barrier after barrier—in the mistaken belief that an ample stock of natural resources was enough to make a country rich and competitive.

#### **What makes a nation great**

Today we know that it is not really just material resources that make a nation great, but the talent and vigor of its people. Not only are nationalist ideologies being redefined. So are international relations being governed increasingly by the power of ideas rather than by the power of arms; by law rather than by command.

Economic competition is not a zero-sum game in which one side wins what the other side loses. In economic competition, everybody wins, and even the relative loser ends up richer than when he started.

We in ASEAN have gotten together to achieve a kind of unification that would give our six countries the cultural variety, the talent pool, the economic weight, the technological resilience, and the attractiveness to investors that we need to become a major player in the future world.

But we in ASEAN do not see the globe as divided into friends or foes. We do not see business competition as preventing economic cooperation. And we do not intend to shut ourselves away from the world.

Like ASEAN, the whole Asia-Pacific region has no reason to protect its economies by erecting tariff walls, because it need not fear competition.

Our own host-country, the Republic of Korea, is the very exemplar of the Asia-Pacific quality. At the very start of its drive to modernization, the Republic of Korea rejected the conventional wisdom that resource endowments determine future income. It dared to create its own comparative advantage—most dramatically in steel and shipbuilding—by sheer political will, intelligence, entrepreneurial drive and willingness to learn.

I am sure you are all familiar with the industrial epic of Pohang Iron and Steel. Pohang was founded in 1968—in defiance of a World Bank study's conclusion that "an integrated steel mill in Korea was a premature proposition without economic feasibility." Yet, only 18 years later, Pohang had become one of the most cost-effective and largest steel-makers in the world!

### **Economic growth and political liberalization**

Korea also has political lessons for us. Here, economic growth and political liberalization have progressed hand in hand. This process was recently capped by the election of President Kim Young Sam—who spent 30 years in the opposition. Since taking office in February, President Kim has moved quickly and decisively to clean up politics and the bureaucracy, consolidate civilian authority over the military, and revitalize the economy.

East Asia leads this worldwide movement of peoples, having awakened to their political entitlements, dismantling authoritarian and statist systems. The Philippines itself reclaimed its democracy in February 1986 by way of a peaceful, nonviolent People Power revolution after 14 years of oppressive rule.

Economic growth generates a libertarian momentum that has proved compelling. Similarly, the growth of the democratic spirit in many countries has opened vast opportunities for greater people's productivity and faster economic advance.

In my country we are working to reconcile our political democracy with an oligarchic economy left over from the colonial period, not by changing the political system as so many well-meaning outsiders would have us do, but by democratizing the economy.

Our most recent reforms allow the wider participation of foreign investment in nearly every aspect of the economy, including commercial banking.

The special powers granted by the Philippine Congress allow me to deal decisively with our shortage of electric power. In our energy needs, we are encouraged by discoveries of substantial quantities of oil and gas in our western province of Palawan.

We have freed all foreign-exchange transactions and begun a five-year program of tariff reduction.

We aim in short to establish a democracy of rights, of opportunities, of means, of productivity.

This vision is embodied in my Government's program of "Philippines 2000"—our national strategy for sustained development over the next six years.

### **Asia-Pacific cooperation**

The growing consensus concerning our political and economic systems paves the way toward the critical steps our countries must take—steps toward one Asia-Pacific community.



Only then can the ocean we share live up to its name. And the groundwork for this shared vision we must begin in our time. It must start from a shared belief in the synergy of getting together and working together as a regional community.

If it is to get anywhere, unification should begin not by way of some grand political design, but through practical and doable origins.

Unification, in my view, begins best with subgroupings and “growth triangles” and “quadrangles of opportunity” cutting across national borders, among areas with strong complementary and historic associations. From these smaller beginnings, unification can develop through larger and ever-widening circles of cooperation.

Toward those countries that keep themselves apart, our best approach is not “containment” but “engagement.” We need to draw them into the web of regional collaboration that shapes our common interests, reinforces our common values and regulates our own common behavior.

Today’s Asia-Pacific region has several circles of economic and political cooperation. The widest circle is formed by the Asian Pacific Economic Cooperation (APEC), which is the official counterpart of this council.

### **Speeding up economic cooperation**

A more modest circle—the East Asia Economic Caucus (EAEC) encompassing Northeast and Southeast Asia—has been proposed by Malaysia. EAEC is designed to be consistent with APEC. But, in both groupings, the processes and mechanisms for closer economic cooperation are just beginning. These processes we must now speed up.

We all agree with the need for a forum that shall ensure that businessmen can trade, produce, build and interact in peace and tranquility.

Because security issues are complex and often area-specific, an Asia-Pacific-wide security forum appears impractical for the moment. For this reason, we need a forum—or forums—where groups of countries within APEC can thresh out subregional differences and security problems.

This initial step I propose for our immediate consideration at Government and non-Government levels.

In our part of the world, the shifts in big-power arrangements have generated national uncertainties that countries of the region themselves must allay.

An institution where such problems can be threshed out is at the moment provided by the ASEAN’S Post-Ministerial Conference (PMC). At the end of every regular meeting of the ASEAN Foreign Ministers, they sit down informally with “dialogue partners.”

In Singapore less than a week ago, the senior officials of the PMC got together to hold, for the first time, discussions exclusively on regional security. Among other subjects, they considered our participation in the regional security dialogue of those countries that have a critical impact on the security of the region but are now—not yet, anyway—members of the PMC, countries like China, Russia and Vietnam.

It is time we started to sort out the precise relationships of these Asia-Pacific forums. This can be done by the Asia-Pacific heads of government—sitting together in a group consensus similar to what the Indonesians call *musjawarah*. Bandung should be a good site, on the fortieth anniversary in 1995 of its landmark conference in 1955. A new spirit of consensus and common action should bring us all together to address totally the problems of regionalism and globalism.

### **Toward greater freedom**

In closing, let me sum up my message to this council:

Nationalism conventionally regards one's own country as the center of the universe.

Our individual countries must now begin to shift their reference point from its traditional location in the nation-state to the Asia-Pacific region as a whole—and from there to this planet we share.

The ideal of one world is an old one because of the universal recognition of earth's survival as our ultimate interest. But only now is it really within man's grasp because of the potential economic power that we can cooperatively generate to make it attainable.

In our time the spirit of enterprise has created a vast supranational economy—whose immense power has turned even the most autarkic economies outward—toward participation in the shared adventure of development.

And development should result not merely in more consumer goods but also in greater human freedom. Economic growth is important not only because it enables men to accumulate material goods, but because it also frees societies from the bondage of poverty and enables ordinary people to enjoy the full possibilities of their lives.

As you begin this conference, keep in mind that it is for this—for human freedom—that we are striving, and not just for ourselves but also for those who will come after us.

*Source:* **Presidential Museum and Library**

Ramos, F. V. (1993). *A call to duty : citizenship and civic responsibility in a third world democracy*. [Manila] : Friends of Steady Eddie.

**Excerpts from a Speech of President Ramos during his visit to Tagbilaran, Bohol Excerpts from a Speech  
of**

**His Excellency Fidel V. Ramos  
President of the Philippines  
During his visit to Tagbilaran, Bohol**

[Released on May 27, 1993]

**Meeting the needs of progress**

THERE ARE 1,532 municipalities, 60 cities and 75 provinces and subprovinces in the country. All are crying for priority. So what do we do? First, let us help those who most help themselves. Second, let us give priority to projects that can generate revenues so that in turn these can contribute to national development and open up more jobs. We can create new national wealth. We can raise public morale because we can give our people better food, better clothing and better shelter. But this must be done so that each step is self-generating, self-multiplying and productive in all its aspects.

We have agreed that we will select projects important to you.

What are these projects? First, the improvement of your circumferential roads—the Tagbilaran interior road, the junction of Cortes-Balilihan-Catigbian-Macaas roads and the bridges along the Tagbilaran-Trinidad road, as well as those along the Tagbilaran east road.

The bridges are 82 or 85 percent completed. The rest of the road projects are to be selected in the 1994 public works and highways component of the General Appropriations Act, as well as in the MulHyear Public Works and Highways Act between 1993 and 1998.

Panglao Island, identified as among the five or six priority programs for tourist development, has been chosen also for our Medium-term Philippine Development Plan for 1993-98. This will include auxiliary components such as roads, drainage, piers, marinas, sewage, piping system, treatment plants, telecommunications facilities and the upgrading of waterworks. . . .

But let us make sure that the infrastructure we develop is not only the roads and bridges, the buildings and the physical structures. Human-resource development must be emphasized and that must start with values training—values more than anything else. Or course, skills and other talents must be developed. As we have seen in the newly industrializing economies of Asia and the Pacific, the emphasis was not so much on infrastructure as on human-resource development. This is the success story of Korea. Everything else followed when it made its people more capable.

That is why during the election campaign, I always emphasized empowerment of the people. Empowerment, so that the individual Filipino can be more productive, a better team player and, above all, a contributor to national society instead of depending on doleouts and donations and assistance. . . .

This is the challenge that faces us. Let us produce all the things we want for Bohol together. It cannot be a doleout from above, but better yet, for everybody's appreciation, a building up from the bottom starting with the smallest barangay and the humblest community upward so that as we go up, we bring everybody up also, including the least skilled and the least talented among us.

I repeat my commitment: I will help you if you help yourselves. You can count on your President to be quick and responsive to those that show spirit, industry, teamwork and, above all, a feeling of nationhood.

Excerpts from a speech given during a  
visit to Tagbilaran, Bohol, May 27, 1993

*Source:* **Presidential Museum and Library**

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## **Speech of President Ramos on Independence Day**

### **Speech of His Excellency Fidel V. Ramos President of the Philippines On Independence Day**

[Delivered at the Rizal Park, June 12, 1993]

#### **A call to duty**

IN JOY and thanksgiving, we recall the birth of our nation.

Of all the gifts one generation can give to another, no gift is greater than the gift of freedom. Freedom is a gift that every generation must renew. Freedom is a legacy that its inheritors must enrich—and not expend.

To gather here today—on these grounds hallowed by the blood of heroes—is a blessing. It is also, for you and me, a call to duty.

If we are to extract from this special day its full meaning, we cannot be content to merely replay all that is glorious in our past. It is not enough that we eulogize our heroes. We must emulate their spirit. It is not enough that we remember what they did. We must match their deeds with our own.

#### **Our historic task today**

For the national leadership, the overriding task is to move the nation forward and to secure for our people the blessings of freedom and progress.

But this task is not of the leadership alone. It is also the task of citizenship. As the heirs—and stewards—of this republic, we have no greater mission than to see in our time the flowering of this nation our fathers seeded 95 years ago. There is no other way to fulfill that mission than to reform persistently our national life today.

On this day, 95 years ago, a young, strong and determined leader named Emilio Aguinaldo reverently raised the national flag in Kawit, Cavite, accompanied by the spirited playing of the original anthem called “Marcha Nacional Filipina.” On that day, through the raising of our flag and the playing of our national anthem, we demonstrated the will to win the independence which gave birth to the first Asian republic—Republika ng Filipinas.

Let us begin by acknowledging that we have not been the most prudent heirs to that generation who dared to found Asia’s first democratic republic.

#### **“Light and life”**

Rizal dreamt of Filipinos taking fate in their hands and raising their country to “light and life.” But we have plodded from year to year—drifting from crisis to crisis. We deserve better. Certainly we can do better. We can set the example for Asia once again.

Recall how this nation came to birth. At a time when colonial Asia barely began to dream of emancipation, our fathers were asserting the Filipino’s right to freedom.

Recall, also, how—in the crucible of World War II and in the trauma of dictatorship—our people found it in themselves to surmount adversity again and again. How—in the face of the strongman’s tanks and artillery—did we

find the moral strength to expel his regime? The simplest—and truest—answer is that, in the worst of times, we Filipinos have always found heroism in one another.

Today's circumstances may be different. Today's challenges may be of a broader kind. But if we are to overcome our obstacles and achieve what we aspire to be as a nation, the same courage and resolve are asked of us.

The challenges before us are different—because circumstances have changed. The world has changed; and so have its demands.

When I reflect on the ups and downs of our history, I sometimes think we have repeatedly faltered to master the demands of each new time—after seemingly brilliant triumphs, we fell short again and again.

That is how we lost the head start in nation building in the 1950s. We clung to the illusion that self-government would effortlessly bring development. Equipped with the tools of an earlier era, we tried to make our way in the postwar world.

Thus by clinging to bankrupt ideologies and unworkable ideas, we missed the boat of modernization in the sixties, seventies and eighties.

And that is how we may fail again—if we content ourselves with the old nostrums and the failed politics of patronage in this time of new opportunity.

We can no longer afford these illusions of the past:

- That democracy without civic responsibility can bring development.
- That, while keeping intact the unjust structures that have kept our economy stagnant, we can have economic recovery.
- That prosperity can trickle down from the rich few to the impoverished many.

### **We cannot pray our way to progress**

Today, it is plain that there can be hope for us only if it is hope for *every* Filipino. There can be development for this country only if it is development for *every* region of our archipelago.

And there can be progress and prosperity only if we yoke ourselves to the plow and put our shoulders to the wheel, talk less and do more, and create new wealth and modern enterprise.

Believers though we all are in the infinite mercy of Providence, we cannot pray our way to progress. Nor can we beg or borrow our way to prosperity. We can reach development only if we produce our way to it.

We cannot improve government—except by wiping corruption out of our public life.

We cannot have peace and stability—except by stamping out crime and rebellion.

We cannot install efficiency in our economy—except by reforming the way we have apportioned wealth and power, and by releasing the energies and talents of ordinary Filipinos.

Today, I can report to you that in all of these tasks we are moving forward. Our peace initiatives have succeeded beyond our expectations. They have brought military rebels and southern secessionists to the conference table and fragmented the insurgent Communist Party to its core.

I realize we remain subject to many severities of life—not the least being the power shortages that vex our lives, darken our homes and shut down our industries.

But, even in our energy problem, the worst is over, and relief is only a short distance away. And we must be cheered by recent discoveries of substantial oil and gas reserves in Palawan.

### **Developing as a prosperous democracy**

In the economy, our basic concern is to dismantle the structure of protectionism and control, and bring down the monopolies and cartels built up by crony capitalism, and level the playing field of enterprise. We have deregulated all foreign-exchange transactions and are privatizing the largest public corporations. And we are moving progressively to reduce tariff restrictions on most of our imports, to open up the financial system to foreign participation, and to liberalize the entry and scope of foreign investment, without losing sight of the imperative to provide for the needs of the disadvantaged, our farmers and our laborers.

We are working to reconcile our oligarchic economy with our political democracy—not by discarding our representative system (as some well-meaning outsiders would have us do), but by democratizing the economy.

We accept that Government must lead—not by bashing together the heads of people, but by forceful persuasion leading to agreement on national goals and action programs, and by productive intervention.

Authoritarianism, as we have known, failed miserably for us; and we are paying its price until now.

If democracy is a handicap to development, then it is a handicap we accept gladly.

For all we have done, I claim no credit—other than the privilege of being chosen to lead our people and our country through this crucial period. The credit belongs to all of us. It belongs to all branches of government, which are collaborating to correct the structures and policies that rule our public life. Both chambers of Congress have been especially cooperative during its first session.

Credit also belongs to the entrepreneurs and investors who are restoring vigor to our economy. It belongs to local communities that have awakened to people empowerment and the new resources and powers flowing to them. It belongs to every social institution taking part in our adventure of development. It belongs, above all, to the millions of our countrymen—many of whom work in other lands—who are helping incalculably to support these changes taking place in our country today.

### **The meaning of independence**

Now we must push our new reform movement forward and farther than ever before. And in this work, we must—in Rizal's words—"expend the whole light of our intellect, and all the fervor of our hearts."

On these grounds that our forebears called Bagumbayan to signify the new nation they dreamed of, and where Fathers Gómez, Burgos and Zamora and Dr. José Rizal were martyred, let us press together to accomplish the tasks before us.

The meaning of this day lies only in reverence for the past. The meaning of this day lies in belief and confidence in ourselves—and in our ability to take command of our own fortunes. If we dare as our forefathers did in 1898, there is no problem we cannot solve, no goal we cannot reach, no hope we cannot attain.

Today, then, in unity and resolve, let us rededicate ourselves to the tasks and programs before us: revival and growth of our national economy; consecration of the national leadership to the public trust; transformation of our social institutions and practices into vehicles for national modernization; and the collective awakening of each leader and every citizen to public duty.

### **Fighting the good fight**

In the annals of nation building, it is written: “Never forget that unity is the distinct instinct of people who want to do something.”

I believe we have that kind of unity today. We all want to do something for our country—not tomorrow, but today.

We are done with merely scraping by, surviving from crisis to crisis.

Together, let us redeem the great debt that we owe those who founded this nation, the promise of a better life we have pledged to one another, and the duty we bear to those who will come after us.

In keeping with the words in the book of books, let us fight the good fight, let us finish what we have begun, and let us always keep the faith.

*Source:* **Presidential Museum and Library**

Ramos, F. V. (1993). *A call to duty : citizenship and civic responsibility in a third world democracy*. [Manila] : Friends of Steady Eddie.



**Speech of President Ramos before the Integrated Bar of the Philippines, Fourth National Convention of Lawyers**

**Speech  
of  
His Excellency Fidel V. Ramos  
President of the Philippines  
Before the Integrated Bar of the Philippines, Fourth National Convention of Lawyers**

[Delivered at the Manila Hotel, June 14, 1993]

**Protecting  
of judicial power**

**the**

**integrity**

OVER THE past several weeks, the judiciary—from the municipal trial courts all the way up to the highest tribunal—has been the center of a controversy concerning the incidence of corruption in our courts.

This criticism has been severe and has caused much concern and even outrage among our judges and justices and the public at large, including the lawyers working with and within the judicial system.

Despite the frequency and seriousness of these charges, I have no doubt that the vast majority of the members of our judiciary are honest, hard-working and dedicated public servants.

**Separation of powers**

Indeed, if we must apply the presumption of innocence to the lowliest criminal suspect, then our judges—the very embodiment of our ideals—cannot be less deserving of the protection coming from that hallowed principle. And so we cannot permit the further erosion of public faith in our judiciary.

Thus I have grounded my position on what the ordinary citizens understand to be one of the basic virtues of our Constitution—the separation of powers between and among our three branches of government. Without that separation—and without the mutuality of respect implicit in the arrangement—we risk a fatal reversion to what we fought against at EDSA seven years ago, in February 1986. And that is the perilous wisdom and the capricious justice of dictatorship.

Under the 1987 Constitution, reform in the administration of justice is the primary concern of the Supreme Court, which has supervision and control over local courts.

And so our executives and politicians cannot—and should not—presume to exercise the privilege and the responsibility of the judiciary to cleanse its own ranks of the corrupt and the inefficient.

This is not to put our judges beyond the pale of the law. Given the exaltedness and exemplarity of that position, erring judges deserve full and exemplary punishment for their misdeeds. But this must be a judgment of, and by, one's own peers, thus making it all the more credible and final.

**Beyond personal ethics**

I believe an ombudsman or an ombudsman type of collegial body for the Supreme Court can ably represent—and have the moral authority of—the judicial peerage I spoke of. Such an ombudsman must be aware that he or it (if it is a body) will bear the burden of public faith in the Constitution and in government. He or it will be the last recourse of the oppressed, the final guarantor of fairness in our judicial system. His or its conscience must be the country's conscience: his or its only true friends and masters, the people themselves.

Let me be emphatic about this: Those who do evil in the temples of public faith—be they executives, generals, justices, judges, politicians, policemen or tax collectors—deserve nothing less than our severest punishment. For they make not only a mockery of our laws but also a terrible waste of the blood of our heroes, and cynics of our youth, our leaders of the future.

The problem of corruption in the halls of justice goes beyond personal ethics. It implicates our entire society and the things we value as a people.

We expect the best and the brightest of our legal minds to serve nobly on the bench, and to forgo the more lucrative and glamorous options for the rigors and privations of public service. We give them no special treatment, brook them no special favors but for the ceremonial honor of their high positions.

In a sense, we, the citizens, are all culpable for their failings. I took note, for example, of a recent remark of one of your colleagues in the Foundation for Judicial Excellence, who said, “Behind every corrupt judge is a corrupt practicing lawyer.” It was a she. And I guess she has the courage to do it because she is a she. She merely put, in relevant context, what we have long known: that corruption is a two-way street.

### **Reforming the judiciary**

Poverty is no excuse for crime; and penury, for a civil servant, can never be an excuse for corruption. We, the people, do have a right to expect men and women of the law to be larger and taller in our esteem—and to be nobler and purer in their conduct—than most of us.

In 1988 Government issued Administrative Order 75, which created a task force to improve the administration of justice. This task force focused on five areas of concern—procedural processes, democratizing access to justice, human resources development, alternatives to litigation, and other areas of reform.

Even earlier, in 1980, Batas Pambansa 129 was passed to allow for the reorganization of our courts and to make them more efficient.

And at any given time, in legal journals, in your own publications, professional meetings, and in our law schools, judicial reform is being discussed in its many aspects. Thus there is no dearth of insights, perspectives and reform programs in this regard.

What seems to me crucial at this point is to consider the problem of delays in case disposition, which, beyond being merely embarrassing and intolerable, denies our people one of their most basic necessities.

The judiciary’s problems are ultimately reducible to this one factor—the overly clogged dockets of our courts. Several measures have been adopted through the years to ease the backlog, without any great success. The problem with those measures lies not in the soundness and merit of the mechanisms, but in their improper and ineffective implementation.

### **Clearing the backlog**

The clogging of the courts’ dockets naturally causes delays in the resolution of cases. Litigants complain every day of delays in the adjudication of their claims, and this has resulted in dissatisfaction among a great number of our people. These disgruntled litigants are in turn forced to resort to extrajudicial means to obtain the speedy disposition of their cases. It is here that graft and corruption become rampant.

And it is doubtful whether the courts will ever catch up. Statistics show that as of today, in the regional trial courts alone, there are over 360,000 undecided cases. While cases are being resolved at the rate of 20,000 a month, new cases are also being riled at the monthly rate of 32,000.

And even in the wake of Batas Pambansa 129, it was found that 35 percent of all complaints against judges had to do with delays in case disposition. And so instead of blaming our judges for the backlog—which they are already, legally, obliged to act upon within specified deadlines—we would do better to find practical ways of helping them along.

I am aware, for example, of the numerous vacancies in the branches of our courts all over the country. As a first step, these vacancies should be immediately filled with qualified persons. I hope some of you who are practicing lawyers will apply, because I have acted expeditiously on all recommendations of the Judicial and Bar Council brought to my attention.

I am also told that the reorganization and organization of the courts, which were carried out with the passage of Batas Pambansa 129, have not been completed to this day. Indeed, courts specified in that Act still have to be created and organized. This delay exacerbates the shortage of courts to hear and resolve new cases being filed every day.

It is said that while Metro Manila judges invariably have backlogs of cases, some judges in the provinces have considerably lighter case loads. In this situation we can certainly avail ourselves of the constitutional power of the Supreme Court to assign lower-court judges temporarily to other stations or regions, where they can help reduce the backlog of their fellow judges.

The Constitution also requires that the consent of the judge must first be obtained if the transfer shall exceed six months. I have received word from members of the National Judges Association that many among them are willing to give their consent to such temporary assignments.

### **Deputizing committees of three**

The Supreme Court has the Judicial Planning and Development Implementation Office, and this body, composed of retired members of the judiciary, sees to it that undecided cases in vacant salas and the “inherited cases” from branches are attended to by judges whose case loads are relatively light.

In addition, you might consider, for example, the possibility of deputizing groups of senior law practitioners—in committees of three from this body—to help regional trial court judges with crowded dockets to clear their backlogs.

Here’s how it will work: The senior practitioners take leave from their offices for three months to start with. They then take over cases ready for decision—cases where hearings have already been completed—read all the pertinent papers and then draft, not write, the decisions.

Critics may denounce this proposal as a violation of the rule that judges should write their decisions. I am not proposing, however, the writing of the decisions by these committees. That will be done by the judges, by the presiding judge of the branch where the case is assigned. If he finds it satisfactory, he can sign it as his own. If he finds the decision and the reasoning to be inconsistent with his conviction, then he rejects it.

In this event, the committee’s draft decision, with the summary of the facts and records of the case, serves as a recommendatory report to the judge on how the case should be resolved. In this respect, the committee’s function is similar to that of a court researcher who summarizes facts of cases and drafts decisions for the court’s approval.

With this proposed scheme, it is hoped that the backlog of cases in our courts will be substantially reduced.

If the Integrated Bar of the Philippines accepts this idea, it could raise between 250 and 500 three-man or three-woman or three mixed committees. Working over three months, each committee should be able to write 60 decisions—which could declog the dockets by 15,000 to 30,000 cases over the emergency or “emergency period” of the legal profession.

If the idea succeeds, there is no reason it cannot be continued—until the backlog of cases becomes more manageable.

I therefore call upon you, the members of the bar, to ponder this proposal; if it is meritorious, support it and endorse its implementation by the Supreme Court.

### **Providing the protection of the law**

The important thing is that in all of these measures and proposals to improve the delivery of justice to our people, you—the members of the Integrated Bar—must be actively involved.

Within and without the confines of the courts, our people rely on you for legal protection. In a stratified society such as ours, you lend substance to this noblest of democratic ideals—which is the protection of the unprotected.

As Chief Justice Jose Abad Santos once said. “The power of the judiciary rests upon the faith of the people and the integrity of the courts. Take this faith away and the moral influence of the courts is gone and popular respect impaired.”

Indeed, if we cannot protect the integrity of the courts, how can we expect to protect our citizens against injustice?

This will be something for you to deliberate upon in your sessions, and something for you to help achieve after this convention.

It is a tremendous responsibility. And I offer you my congratulations and support for your initiatives, and I wish you the wisdom of Solomon, the patience of Job and the grace of God.

*Source:* **Presidential Museum and Library**

Ramos, F. V. (1993). *A call to duty : citizenship and civic responsibility in a third world democracy*. [Manila] : Friends of Steady Eddie.

**Excerpts from a Speech of President Ramos before the Joint Provincial and City Council Civic Assembly**  
**Excerpts from a Speech**  
**of**  
**His Excellency Fidel V. Ramos**  
**President of the Philippines**  
**Before the Joint Provincial and City Council Civic Assembly**

[Delivered at the Immaculate Conception College Art Center, Ozamis City, Misamis Occidental, June 22, 1993]

**The promise of Mindanao**

I KEEP TALKING about Mindanao as part of the triangle of opportunity in Southeast Asia. And I say it again, because this is what needs to be done and developed in collaboration with our ASEAN neighbors [Indonesia and Malaysia] so that finally we shall be able to move Mindanao into its promise and potential as the future land of prosperity for one third of the entire Filipino population.

Today we inaugurated Ozamis port, thus opening another gateway to the progress of Northern Mindanao. Ozamis City is the recognized commercial and trade center of Northern Mindanao. And if further developed, expanded and enlarged, it will also speed up the progress of the other cities of Misamis Occidental, of Oroquieta and Tangub, as well as all the other municipalities. It could even provide the vital sea link between Regions 9 and 10 to the rest of the Philippines.

On the drawing board is a mini-industrial estate here in Ozamis City as the provincial center for agri-based processing industries. This your National Government supports. Many resources here need to be developed. I need not mention our fisheries in Pangil Bay, which is now the beneficiary of a fishery program funded by the Asian Development Bank.

The prospects are also bright for Mount Malindang National Park and Wildlife Sanctuary to become one of the centers of ecotourism. . . .

We have also encouraged the expansion and modernization of your agricultural undertakings because this province is fortunate in being below the typhoon belt and having a steady rainfall the whole year round, making you one of the greenest provinces in the country, if not the greenest of them all. So keep it that way. I know how much that is appreciated. I happen to come from a brown province.

The challenge to all of us—whether in Government or in the private sector—is to see to it that we grow without violating our environment, that we prosper with equal opportunities for all and that the country becomes richer, with everybody, and not just a few, enjoying the benefits of prosperity.

Excerpts from a speech given before the Joint Provincial and  
City Council Civic Assembly, Immaculate Conception College  
Art Center, Ozamis City, Misamis Occidental, June 22, 1993

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**NATIONAL GOVERNMENT PORTAL – EDITED AT THE OFFICE OF THE PRESIDENT OF THE  
PHILIPPINES UNDER COMMONWEALTH ACT NO. 638**

**Speech of President Ramos on his first 365 days of Presidency**

**Speech  
of  
His Excellency Fidel V. Ramos  
President of the Philippines  
On his first 365 days of Presidency**

[Delivered at the Ceremonial Hall, Malacañang, June 30, 1993]

**Winning the future:  
The first 365 days**

I ADDRESS you today—on national radio and television—in the same way that I began my Administration a year ago.

I hope all of you are listening to me today. I speak not just of my leadership but also of our journey together during the past 12 months, and into the future. A better future enshrined in our shared vision of “Philippines 2000.”

Franklin Delano Roosevelt once suggested that the progress of an administration should be evaluated in the same way we score a ball game. On one side is the administration; on the other are the problems it must struggle against. When the problems are winning, the administration is weak. But when the problems are being routed, then the administration is right to feel triumphant.

Whether or not this is a reasonable system to use, we in this Administration are fully prepared to be held to account and we believe we are winning this ball game.

**Highlights of the year**

A year ago we came to office on a tide of both hope and uncertainty. Hope that a new Administration could stop the drift and decline of our country. And uncertainty because the overall record of government in this country had been one of pervasive failure.

I have been often reminded that I rode to office on the back of less than 24 percent of the electoral vote. If that is the measure, then I can already claim success for transforming that plurality into a landslide margin of satisfaction of 66 percent according to recent opinion surveys.

Governance, however, is not a popularity contest. It is a test for getting things done—speedily whenever possible, relentlessly when there are obstacles to hurdle. Moreover, it is a test not just of the leader but also of the country. No leader ever succeeds or fails alone.

We began our first year together divided by the freest popular elections in recent memory. Despite our contentions, we have joined hands in nonpartisan cooperation to stop the record of national decline and put our national house in order.

Today, I believe I do not exaggerate when I say that the Philippines is back on its feet. Although the brownouts may dim our sights, we can see now where we are headed. And however formidable the problems remaining, hope is alive today in most of our communities which not so long ago despaired about the future.

This is not Administration rhetoric to inflate its achievements. I have heard it from your own lips during my travels to every region in our archipelago. I have heard it as well from many foreign officials and investors who watch with keen interest what is happening in our country.

At my inauguration I said: “The road to development is now much traveled. We Filipinos have not lacked the way, but the will.”

I submit that we have supplied that will to meet the many cares and problems of national life. We have begun a program of reform that already has dared more than any government since 1946.

We have embarked on critical initiatives to end the climate of conflict and disorder that for several generations have gripped our country.

We have started to overhaul Government bureaucracy, which for decades has stood in the way of our national advance.

We have opened the doors for free enterprise to create more jobs and produce, after years of being hamstrung by an oligarchic economy and a distorted playing field.

We have embarked on a concerted program to protect and conserve our natural environment, which has been reduced to precarious levels by predatory forces in our midst.

And we have launched a massive power development program—not only to provide relief from the power shortage but also to provide for long-term sufficiency as the economy grows.

Finally, we have moved to transform our once discordant political system into an effective vehicle for cooperative action.

Let us look at each of these initiatives one by one, for each tells a story of how we have combined political will with action, policy reform with implementation.

### **The power situation**

Let’s start with the power situation, for this is the most acutely felt by all. It is also generally perceived as the major shortcoming of the Administration.

You and I are both saddened that relief has not come as quickly as we had hoped, although in Mindanao the power crisis has eased, and in the Visayas there is more than sufficient power supply. Luzon continues to be battered by the power shortage.

But I ask you to remember what I said in my inaugural address last year. I said then: “The immediate future will be difficult. In some areas—as in energy, things *could* get worse before they get better.”

Unfortunately, my worst fears have been borne out. The neglect of the past had thoroughly undermined the base of power generation in the country. Amid an economy beginning to recover, no new plants were put in place. The situation had deteriorated to utter unpredictability because old plants kept breaking down faster than we could put new projects on-stream.

It is no use moaning over the problem now. More important is what the Administration is actually doing to meet it.

I can report to you, my countrymen, that we are meeting head-on the full severity of the power crisis. And not by merely repairing power plants that were lost to obsolescence years ago. A comprehensive power development

program is now in place—both for the immediate and for the long term. We have embarked on fast-track projects and are bringing in power barges to provide for relief as quickly as possible. And we have cleared the roadblocks of environmental compliance certificates and of public acceptance that once held hostage most base-load power projects—which are the real and lasting solution to our power needs.

The writing on the wall is now clear: We will have relief from brownouts by Christmas of 1993, and full sufficiency in power by mid-1994.

### **Peace and stability**

The brownouts may cloud our perspectives over the entire national situation. In evaluating what we have achieved on many other fronts, however, they should not dim our sights. We have been confronting our problems one by one—and we have not been found wanting—of either effort or results.

We have achieved a level of political stability that means more than just my Government's political survival or my capability to undertake a State visit without fear of being overthrown by a coup.

On the national security front, we have offered an honorable and just peace to every dissident group, to which they have all responded positively. We have dared to repeal the Anti-subversion Law and open the door for the full participation of Communists and other rebels in our political life.

No doubt, the peace process is not easy. And it will take some time before a full settlement can be negotiated with all groups. But even this early, the peace effort has already cooled down conflict and tension. And the threats to the republic have now declined to occasional hit-and-run terrorist attacks in remote areas.

We have suppressed criminality through the establishment of the Presidential Anti-Crime Commission. I risked criticism by appointing Vice-President Joseph Estrada, a nonpartymate in the last elections, as the anticrime czar. PACC decimated the Red Scorpion Gang, thwarted the commission of heinous crimes, and has made much progress against all sorts of illegal activities, including carnapping, drug trafficking and illegal logging.

We have met head-on the nefarious activities of crime gangs and kidnap syndicates. The crime rate is down. And we have enhanced our institutional capability to cope with crime through the overhaul of the command and leadership structure of the national police. The Armed Forces of the Philippines remain steady, in all ranks.

The National Unification Commission, which has effectively borne the brunt of the peace campaign, must be credited with much of our initial successes on this front. And as it phases out a month from now, we move to a higher plane of consultation and understanding, which the Commission has admirably forged.

Throughout all these, the Philippines has improved its human-rights record at home and in the international community.

### **Foreign policy**

In our foreign relations, we have inaugurated a new policy of economic diplomacy in dealing and living with other nations—above all, with our neighbors in ASEAN and the rest of Asia and the Pacific. This was done through a series of productive State visits, ministerial conferences, trade and investment missions, and people-to-people encounters.

This effort at reaching out to our neighbors has renewed confidence in the Philippines as a better investment and tourist destination and a more profitable trading partner than before.

We have taken part in important consultations to build a climate of peace and stability in our region, particularly in cooling the disputes over the islands of the South China Sea. At the same time, we have also forged new programs



of economic collaboration and technology transfer with not only our immediate neighbors in Asia and the Pacific, but also the Americas, Europe and the Middle East. These are now starting to pay off in increased foreign investments in our country.

The Philippines and the United States have moved to a new level of partnership on the basis of economic cooperation, social concern, mutual support and democratic commitment. Two compelling realities govern this relationship: First, the United States remains our biggest market, and second, the U.S. remains the strongest force in Asia and the Pacific.

Our foreign policy has thus increasingly focused its attention on the wisdom of economic diplomacy based on our conviction that our national security is founded squarely on our country's economic strength, as much as on our political unity, social cohesion and international linkages.

Stability in the country and good relations with our neighbors are the conditions we need to develop in order to be able to mobilize fully our energies on the revival and strengthening of the economy.

### **The economy**

As we begin our second year in office, it must be admitted that the economy is still sluggish, mainly because of the power shortage. Despite this, however, there are now general stability and clear indications of improvement in the economy.

Economic decline has been reversed as the economy posted an average GNP growth of 1.3 percent during the first three quarters of the Administration. Inflation rate dropped to 7 percent in May. Interest rates on Treasury bills have declined to 10 percent, the lowest in 15 years. Tire foreign-exchange rate has also remained stable. Significantly, the unemployment rate dropped to 11.3 percent in April 1993.

We stand on the threshold of the real advance that is within our capability to achieve. The series of major reforms we have adopted in the economic sphere are arguably the most ambitious ever launched in our country in nearly half a century.

Reflect for a moment on what we have dared to do in just the span of a year.

We have passed a new Central Banking Act that creates a Central Monetary Authority and inaugurates a new regime for prudent fiscal management of the economy. This will further stabilize the price and monetary situation.

In addition we have signed agreements that will relieve the country of \$1.7 billion in debt service, provide \$135 million in new money and buy back a \$1.2-billion debt.

We have continued the policy of privatization by setting clear timetables for ending Government's engagement in business. Today, 1.8 billion pesos' worth of Government holdings in Interbank was privatized in a public sale in favor of a consortium led by Union Bank. Within the year, more companies or their components will pass into private hands.

The access of Philippine products to world markets has been enhanced, with the resolution of many trade issues, notably the lifting of the U.S. ban on carrageen, or seaweed, and yellow fin tuna.

In agriculture a focused approach has been adopted via the key production area, which is designed to increase farm productivity through the selective use of land to the most suitable crops and agricultural uses.

In telecommunications we issued Executive Order 59, which mandated the interconnection among backbone and local telephone operators and the implementation of the national regional and municipal telecommunications/telephone programs. In transportation and infrastructure we have begun the full upgrading of

our shipping industry, and a total 2,500 kilometers of roads have been completed or improved. The EDSA Light Rail Transit Line 3 project was launched during the year, ending years of inaction.

### **Protecting the environment**

As we have carried out these reforms in the economy, we have moved also with dispatch to protect and conserve the country's natural wealth, which is so critical to sustainable development. Efforts have focused on an intensified campaign against environmental degradation, specifically on the protection of watershed areas, mangrove forests and our seas.

In Metro Manila we have launched a program to transform Smokey Mountain from a polluted dumpsite into a clean workplace and housing community.

To meet once and for all the garbage problem of the metropolis, we have undertaken the construction and operation of the San Mateo and Carmona sanitary landfills and the Las Piñas transfer station.

Similarly, we restarted programs for the rehabilitation of the Pasig River, the greening of Metro Manila and the combating of air pollution.

### **Investing in people: alleviation of poverty**

In all these programs we have undertaken, people have always stood at the center of our concerns.

To those among us who are too well off perhaps, people empowerment means little. But to millions of our poor countrymen, it is a beacon of hope.

This landmark program of the Administration means that Government must be a liberating force for all those who have so little in life. It must reach out to all the marginalized sectors in our country, the poorest of the poor, the disabled and elderly, labor, farmers and the cultural communities—so that they shall have access to livelihood and employment opportunities and, what is equally important, the opportunity to be heard in our public life.

Through the Presidential Commission to Fight Poverty and the Presidential Council on Countryside Development, we have adopted a direct interventionist approach designed to reach our most depressed communities—emphasizing above all the provision of basic services. Housing and livelihood generation are being stressed because they are the most critical and immediate needs of this sector.

In our urban areas we are working within the framework of the Urban Development and Housing Act. While looking to the needs of our urban poor, we are also taking care to stop metropolitan degradation through slum clearance and improvement. To clear the way for urban development, we have relocated 7,000 squatter families in the Manila Bay reclamation area to Dasmariñas, Cavite. I have also initiated the “small *buga*” approach to provide more liberal credit for the small- and medium-scale industries.

But it is in what we are doing in education, health and welfare where we stand to reap the most from investing in our people. Today, I am proud to report that we have made significant headway in the following areas:

First, in improving public health services, which received highest priority among Government services provided for our people.

Second, in adjusting our education system to the perennial problems of increasing enrollment, upgrading teacher training and welfare, and improving the quality of education itself.

Third, in carrying out the family-planning program to stabilize population growth and help couples intelligently plan for a higher quality of family life.

Fourth, in delivering welfare services to the needy and victims of calamities; and,

Fifth, in increasing benefits and protection to our workers.

Let me issue a special word of thanks to our overseas workers, who have contributed significantly to the economy for over a decade now. For me they are a living demonstration of what people empowerment can do for this country. They show us what is within the capabilities of our people, of what they can produce once given the opportunity to work, and of how much they care for family and country. In my travels abroad, my most moving encounters have been the dialogues I held with our Filipino workers' communities.

### **Overcoming inertia and impotence**

In these key achievements of the country during my first year in office, I claim no credit other than the personal privilege to lead in this critical time of rebuilding.

The credit belongs to many of my co-workers in the national Administration and Local Government who are turning the bureaucracy into an authentic vehicle for public service.

It belongs as well to the other branches of government that have worked with us to change the substance of government in this country.

Above all, it belongs to our people who, by believing in themselves, have enabled us to push reform beyond our expectations.

Today, there is renewed optimism in the country, because we are overcoming decades of national inertia and impotence.

The problems we are uprooting have never been the legacy merely of one person, one administration or one generation of leaders. They are rather the product of a mind-set and political culture—born during colonial times and carried on through the decades—that the Filipino is indolent, self-centered and utterly lacking in nationalism.

That mind-set has cost us very dearly. It has led us to talking ceaselessly about problems, instead of solving them. It has bred a tendency to blame others, instead of doing things ourselves. And it has made many of us incapable of action, out of fear that others will not do their part.

Today, as I look at our country, I have every confidence that things are changing for the better. Beyond our old dissensions, we are discovering the national unity and social cohesion we are truly capable of. From our old indifference to our national life, a new sense of civic commitment has emerged. Finally, we are beginning to invest in our country the best within ourselves.

This is the foundation that will serve as our anchor as we face the rising challenges before us.

### **New agenda**

We have traveled some distance in the interval of one year. But we have much farther to go. We cannot turn back. In our continuing journey, there will still be plenty of obstacles along the way. There will be times when we must debate our strategies and programs, refine our course as necessary—but under all circumstances, we must continue to move forward.

I will be the first to admit that what we have started is no more than just a beginning. Economic recovery is still fragile. Many of the reforms we have made are still in their infancy. We must build on what we have already achieved.

On July 26 I shall present to Congress our new agenda. For the moment I will sketch here only the broad outlines of what is demanded of us:

First, we must maintain the climate of stability, and strive to finish the peace process we have begun.

Second, we must speed up the reforms we have begun until they truly become integral parts of our national life.

And finally, we must preserve and strengthen the new spirit of collaboration among the major branches of government and the private sector, so that we can legislate, pass judgment, and press new reforms as we move onward.

Where cooperation with Congress was mandatory, we have forged a working relationship that continues to this day to produce action. This coalition building has generated and firmed up support for the executive in both houses of Congress.

All these will ensure the unhampered expansion of economic effort, which is certain to happen within the next 12 months. The forthcoming resolution of the power problem will provide the opportunity for our economic takeoff. But the takeoff is not foreordained. No progress was ever made by a policy of doing nothing. Neither will a wait-and-see attitude make it happen.

We must be prepared to adopt any measure, undertake any initiative, and accept any cost in order to make it happen.

There have been critical moments in our history when national fortunes were fatefully decided by the choices made by our leaders and our people. At such times, wrong turns cast the nation astray. Thus, our revolution of 1896, when our leaders accepted a truce instead of prosecuting the revolution to the end. Thus, also our historic chances in 1946 and 1986, which were frittered away.

All of us must have the courage and wisdom to grasp the opportunities now before us. We can exhaust ourselves anew in needless recrimination and contention, or together we can gather our forces and recognize that this is the first real chance we have had to develop in this century.

It may be our only remaining chance. This time I am confident we have moved correctly toward our vision of "Philippines 2000."

*Source:* **Presidential Museum and Library**

Ramos, F. V. (1993). *A call to duty : citizenship and civic responsibility in a third world democracy*. [Manila] : Friends of Steady Eddie.

**OFFICIAL GAZETTE OF THE REPUBLIC OF THE PHILIPPINES**

**NATIONAL GOVERNMENT PORTAL – EDITED AT THE OFFICE OF THE PRESIDENT OF THE PHILIPPINES UNDER COMMONWEALTH ACT NO. 638**

**Address of President Ramos at the Ten Outstanding Young Men (TOYM) Awarding Ceremonies**

**Address  
of  
His Excellency Fidel V. Ramos  
President of the Philippines  
At the Ten Outstanding Young Men (TOYM) Awarding Ceremonies**

[Delivered at the Heroes' Hall, Malacañang, July 16, 1993]

**The morality of aspiration**

SINCE THE Ten Outstanding Young Men (TOYM) Awards were established in 1959, it has been the tradition for the President of the Philippines to present the awards every given year. I join you here today to answer the call of tradition. But I also consider it an opportunity to express my personal congratulations and admiration to our awardees here today.

There are awards and awards given every year here in our country. There are awards, for example, that are given in recognition of exemplary acting in the movies. And there are awards that we give in recognition of action itself.

I believe you will agree with me that our awards today are of the second kind. And our awardees are not tiling if not men of action and achievement. These awards are all the more significant because they honor compatriots who, while still young, are already outstanding in their chosen fields of endeavor.

**The pursuit of excellence**

While looking with one eye at their records of past achievements, we cast the other eye toward the future. In honoring what they have accomplished, we also look with excitement and hope at what is still to come.

At this time when our country is striving valiantly to move forward, I believe there can be no greater ideal to raise before our people than the pursuit of excellence.

The chief distinction of our awardees today is that they know how to accomplish what so many others merely advocate or are in favor of. They have the gift to bridge the great divide between desire and achievement, between planning and implementation, between hope and realization.

Throughout my first year in the Presidency—as a consequence of various commemorations—I have often spoken of the quite remarkable fact that our country was raised to nationhood by the strivings of countrymen who were only in their twenties and early thirties. To this day, who of us can fail to marvel at the fact that Rizal was in his twenties when he wrote the *Noli* and the *Fili* and set fire to our national revolution? That Bonifacio was a very young man when he founded the Katipunan? Or that Gregorio del Pilar was barely past his teens when he led an army in our war for independence?

**“What can I do?”**

Indeed, we are an even younger country today than we were in 1896 at the outbreak of our national revolution. Younger in the sense that our people today are predominantly young Filipinos. And young also because our national

preoccupations are not those that come upon a country in maturity. We are still struggling for virtually the same things—order, progress and justice in our land—that the generation of Rizal and Bonifacio fought for.

And we are tortured by the thought that after leading the way for republican government in Asia a century ago, we have fallen behind our neighbors who came upon their nationhood much later than we did.

In this story of failure and decline, many of us have been disposed to blame government and politics. For the most part, this is fair and just. Government has betrayed more hopes in this country than we can count. And our politics has done more to divide us, than unite us, for the struggles at hand.

But let us also not miss the other part of the story. Throughout our history, it has also been our custom, whenever we faced a problem, to ask: “What is Government going to do?” Rarely have we asked: “What can I do? What can I contribute in order to get this problem solved?”

In the story of societies and individuals, it has been said, there are two kinds of morality. One is the morality of law, and the other is the morality of aspiration. The morality of law requires the individual to do what the law—God-given or man-made—calls upon him to do or forbids him to do. The morality of aspiration does not require; it inspires the individual to go beyond what the law ordinarily requires and do all within his powers to excel and achieve.

### **The yardstick of aspiration**

By the yardstick of law, a nation can already achieve much in the way of order and stability, if all obey the laws of God and man. But it is the yardstick of aspiration that thrusts a society from mediocrity into greatness. It constitutes the difference between dragons and lambs in the fate of nations. As I see it, the chief service of these awards—and awards like these—is to remind us of this morality of aspiration and excellence.

To become the nation we can be, it is not enough that we desist from what the law forbids us to do—we must strive for more and better. As with individuals, so as a nation: We must strive to become the best that we can be.

When we launched this Administration’s program for “Philippines 2000,” I was told over and over that my vision was too ambitious, that I was virtually shooting for the moon. I have been reminded that there are too many things in this country that need repair, that our poverty problem is massive and that there is only so much we can achieve in six years.

My reply to such defeatism is simply this: We have contented ourselves for too long with very small goals and objectives. We have been too used to failure in our midst that to dare for such status as a newly industrializing country by the year 2000 is seen as wishful thinking. But then, I ask you, if we don’t aspire for the heights now, when will progress ever happen in this country? When will we ever dare?

I do believe that defeatism in our country is rooted not in the individual capabilities of the Filipino, but in our lack of faith in our national community. For when we look at the individual Filipino, he is indisputably an achiever—talented, resourceful and creative. Consider, for instance, what compatriots like Lea Salonga have conquered in the international community. Consider how Filipinos today stand at the commanding heights of many corporations all over Asia. And consider also how our overseas workers are contributing greatly to the development of other societies—often exceeding their hosts in skills.

### **Why we have fallen behind**

In my travels to foreign capitals, I have often been asked why the Philippines falters so badly, when Filipinos are so gifted and well trained. This is a difficult question to answer. But I think the basic fact is that we Filipinos have not yet succeeded in transferring to the nation itself our great gifts and talents as individuals. What we strive and achieve with such creativity for ourselves, our families and our corporations, we have never invested in our country as well.

This, to my mind, is why we have fallen behind. That is why we falter in the midst of the riches of our human and natural resources.

If we are to turn things around in our country, we must awaken, and reinforce the bonds between ourselves and our nation. Call it patriotism or *pagkakaisa*—or call it envy of our neighbors. The reality is that we will not get anywhere unless we learn to share, care and dare for our country. Mark these words—sharing, caring and daring—for they should guide the future endeavors of this and future crops of outstanding young Filipinos.

Change will never happen if we are imprisoned in our self-serving, or *tayo-tayo*, attitudes. On the other hand, if we act nobly and boldly, others will also be inspired to act nobly and boldly. Noble acts have a multiplier effect that in the end help to transform entire societies.

Law alone will not do what we aspire to achieve for our country. But the earnest and energetic actions of individuals will. This to me is the enduring significance of these awards.

In this spirit then, I pay tribute to these Ten Outstanding Young Filipinos (TOYF), aware of how your pursuit of excellence helps to propagate a culture of this ideal among our countrymen.

### **From TOYM to TOYF**

I commend the Philippine Jaycees, the TOYM Foundation, the Gerry Roxas Foundation and the Development Bank of the Philippines for this outstanding program of public service. I urge all of you and the 302 Jaycee chapters nationwide and the members of your four organizations to continue to lead the way in our quest for modernization, excellence and progress.

I also urge you to change the program's title from TOYM to TOYF, in recognition of the outstanding young Filipino women who do just as well as the young men. After all, women make up the majority of our population.

Everything we do—individually and collectively—to promote quality, excellence and service has a ripple effect on our national life. And from the sum of all our actions, "Philippines 2000" will soon become reality.

*Source:* **Presidential Museum and Library**

Ramos, F. V. (1993). *A call to duty : citizenship and civic responsibility in a third world democracy*. [Manila] : Friends of Steady Eddie.

**Speech of President Ramos at the launching of the Philippine Family-Planning Program, National Communication Campaign, August 2, 1993**

**Speech  
of  
His Excellency Fidel V. Ramos  
President of the Philippines  
At the launching of the Philippine Family-Planning Program, National Communication Campaign**

*[Released on August 2, 1993]*

**Family  
the right to choose**

**planning—**

FOR EVERY CAUSE or every program, there comes a time when its very reason for being comes under challenge, and we must therefore speak clearly why we believe in it and why it is necessary. That time has come.

All over the country today, many are deeply engaged in discussion and debate over the family-planning program as a component of the population stabilization policy of Government. Some are for it, and some are against it—but all are deeply concerned about the issue.

In the past, when such difficulties arose, the national tendency was to run away from the argument. And the result was invariably to reduce our previous Family-Planning Program into a muddle—while our population growth meantime went galloping on.

**The facts of family planning**

We are here today to ensure that the same fate does not overtake us. In launching this nationwide information campaign for the Philippine Family-Planning Program, we seek to present the facts and the merits of the program so that our people can make their own personal and intelligent decisions. We will strive by this to dialogue with everyone—including those who oppose the program.

Nothing less than the welfare of our people and the future of our country are at stake.

Let us—all of us—present to our people these facts:

First, the Family-Planning Program respects the right of the people to choose how they want to plan their families. Nothing in it is in any way coercive.

Second, the program fully respects the sanctity of human life. Indeed, it aspires for what is best for every child born in this country. In no way does it promote abortion in our society. Abortion is a crime in our law books.

And third, the program will immeasurably help achieve national development and improve the quality of life of our people.

**Need for dialogue**

I do not make light of the feelings of alarm with which some view the program—particularly their alarm at its implications for matters of faith. Bound as we are to our respective religious beliefs and traditions we are, however, also citizens of one society. We can freely worship in our respective churches because our political community is governed by a Constitution based on religious tolerance.



Nevertheless, our duty as leaders and citizens is to serve those shared commitments that make up our public life—the principle of the common good and all that can help achieve it.

Family planning is one such program. We live at a time and in circumstances when family planning can confer much welfare on our people and help achieve our goals as a nation.

We need only to understand what the program specifically stands for.

First and foremost, the program is based on freedom of choice. Many have been saying that the program is coercive. Yet the indubitable fact remains that it is grounded on the most basic human rights enshrined in our Constitution.

One of the most basic of those rights is the freedom of choice guaranteed to each and all. In the Family-Planning Program, we affirm the right of citizens—especially of our women—to decide about their fertility and their families. It is in this light that we affirm that individuals and couples are entitled to information about family planning so they can make their own decisions about their reproductive options according to their health needs, family aspirations, religious beliefs and economic situation. They must be free to choose what is best for them in their respective circumstances.

Nothing in the program compels anyone to adopt or support something that is contrary to his or her personal beliefs or inclination. It fully recognizes our people's love and reverence for children, spouses, family, country and God. It respects the moral convictions and religious beliefs of every citizen. Thus while we will persevere in promoting the objectives of the program, our tool is persuasion, not compulsion.

### **The welfare of children and families**

Second, our Family-Planning Program stands for the welfare of people. Family planning is a program that secures the welfare of children, mothers and families in our country. And the sooner we are able to carry it out nationwide, the faster will we reap the benefits for our impoverished millions.

When some of our compatriots say that the issue here is morality, we entirely agree. We must be concerned about the quality of life that every child is born to in this country. We must be concerned about the health of mothers and the conditions under which they bear and nurture their young.

We cannot reduce this issue of morality merely to a matter of religious faith. Morality too is involved in the spectacle of children living in poverty and misery, and mothers suffering ill-health from giving birth to too many children.

By this, we are not suggesting that the Family-Planning Program will by itself banish poverty and misery from our midst. Clearly, it is only one program among many that we must undertake. But it is an important part of the solution. And we are committed to doing all we can to help people help themselves—by giving them family-planning information and services.

One measure of how the family-planning movement has grown roots in our country is that today it is manned not just by people in Government but also by many in the private sector and in our local communities. This is not a program of Government alone. It is a partnership between Government and the citizenry—between and among Government agencies and non-Governmental organizations, private-sector groups, the commercial sector, religious groups and, yes, even the entertainment industry. It is the program of concerned citizens and organizations that care about the health and well-being of our population.

We all believe that every child born in our country must be wanted and nurtured, that every Filipino child must be given every care, attention and opportunity that both the family and the State can provide. That is why it is so apt that we have chosen as the slogan for this communications campaign: *Kung sila'y mahal n'yo, magplano!* (If you love them, plan them.) Love of children resides at the heart of our Family-Planning Program.

## **Population and development**

Finally, the issue of family planning is not only about rights and family welfare. It has meaning also for the larger family that is our country and people. Many have been talking about the critical question of how population relates to the achievement of national development. Some persist in saying that our high population growth rate has nothing to do with our continued underdevelopment as a nation. Yet, the verdict of scientists, economists and scholars overwhelmingly points to the fact that a developing country like ours can only move “one step forward, two steps backward” if it is unable to manage its high population growth rate.

How much longer will we persist in ignoring this lesson in the development of nations? How much longer will we deny ourselves the blessings that science now provides for managing our affairs better?

To be sure, family planning is no magical solution to our poverty and underdevelopment. It must be matched by other policies and programs designed to enable us to produce more wealth and distribute it more equitably under a national policy of sustainable development.

But it is clear that we can undertake our development task better if our population does not gallop in pace or faster than we can produce. We can sustain our drive for development better if family planning moves in pace with all our programs for the economy and society.

The Philippine Family-Planning Program is an essential component of our vision of “Philippines 2000.” In helping men and women plan their families rationally, we not only help them to ease the stresses of the present but also contribute immeasurably to the work of developing our country and raising the quality of life of our people.

## **Choice as our stand**

That some among us are still unwilling to support the Family-Planning Program we understand. That we must adopt various methods of family planning we also fully accept. These are all part of the challenge we must face in this campaign.

I believe we can go far toward adopting a common program of action if we accept as our standard the freedom of choice and the suitability of family-planning methods.

Let each group promote the method that it believes in among its members. Let each stand by the means that are in harmony with personal and religious belief. But in any case, we must press on with this program. Our people need it. Our country needs it.

This is not a policy for all time. I can see the day when conditions will permit us to adopt a different policy and approach. But today this is the way of wisdom and prudence. This is what we need, and we would be remiss indeed, if given our situation today, we failed to provide an answer.

In a country as religious as ours, I believe the sense of compassion for others is deep and strong among all Filipinos. All of us want to see each of our countrymen achieve the best that he or she can be. All of us grieve when some among us suffer. And all of us want to see Government help those who have the least.

## **The challenge before us**

If in the past we faltered in this ministry of compassion, it was because our previous efforts lacked coordination and planning. We have been plagued by discord and indecision. Today we know better. I think we are learning finally to become one national family—sharing one another’s pain and one another’s blessings. We need only to refine the ways of giving and sharing.

The Family-Planning Program is but one part of the national and international development effort for sustainable progress. But it is an important one. The challenge before us now is to bring this program from the plane of discussion to the plane of action. We must bring it to the homes and the communities—to the parents, to the mothers and, above all, to our children.

There is no time to waste. The hour is late. This program was needed yesterday. But if we undertake this task now with zeal and dedication, we can surely make a difference in the lives of millions and in the life of the nation itself.

*Source:* **Presidential Museum and Library**

**Speech of President Ramos on the commemoration of National Heroes' Day, August 29, 1993**

**Speech  
of  
His Excellency Fidel V. Ramos  
President of the Philippines  
On the commemoration of National Heroes' Day**

[Delivered at the Libingan ng mga Bayani, August 29, 1993]

**A country created  
by heroes**

ON THIS solemn day set aside by law for honoring the heroes of the Filipino nation, it is fitting that we should hold these civic rituals among these simple tombs of our country's heroes.

"Heroes have the whole earth for their tomb," proclaimed Pericles, the Greek statesman, in his famous funeral oration for the Athenian dead in the Peloponnesian War 2,400 years ago. And this, of course, is true, because the qualities that made them extraordinary are qualities all of mankind honors, and seeks to emulate.

But the hero is not merely a creation of his own time. Quite the contrary: he is the forceful projection of his nation's destiny and will.

**A constellation of greatness**

Its heroes define a nation's quality—and we Filipinos can take pride in that we are citizens of a country created by heroes.

Before the political persecutions of 1872, there was no Filipino nation: We were a congeries of *indios*, mestizos and Creoles; Tagalogs, Pampangans, Ilocanos, Negrenses and Moros.

After the shedding of martyr's blood by the priests Gom-bur-za, no further repression could prevent the Filipino nation from being born.

Rizal has been called—correctly—the "First Filipino" because he was first to conceive of all the peoples of the archipelago as one grand union transcending ethnicity, religion, language, custom—*ang Sambayanang Pilipino*.

What propitious confluence of stars and planets blessed us with the constellation of heroes that presided at our country's birth?

Few other nations are so fortunate: Besides Rizal, we had Andrés Bonifacio, Marcelo and Gregorio del Pilar, Apolinario Mabini, López Jaena, Mariano Ponce, Emilio Jacinto, Antonio Luna, Aguinaldo. These heroes—together with thousands more: some of them lying on this lovely and quiet graveyard—are those whose memory we recall today.

We may not know the circumstances of their martyrdom. But we do know they did not shrink from the fire when their call to duty came. Some of their proper names we may not even know—as we do not know the name of the Filipino soldiers buried in unknown graves all over the archipelago.

We only know that when the country called, they came. And they have only one true name. Rizal spoke for all of them when he said: "*Laong-Laan ang tunay kong ngalan . . .*"

## **Every citizen can make a difference**

The classical Greeks believed the citizen was educated and perfected by taking part fully in the life and affairs of his city-state. Participation in politics—in managing public affairs—was a right, a duty and an education for every citizen. Pericles noted that the Athenians regard the man who takes no part in public affairs not as one who minds his own business, but as good for nothing. The country's business, as Athenians saw it, is every citizen's business.

The best way to commemorate our country's heroes is for every one of us to aspire to this same quality of civic responsibility. Every citizen can make a difference—and if we pull together we can all lift up the common life and raise our country to the dignity it deserves in the community of nations.

Today the tyrannies we struggle against are different from what they were in Rizal's time, or even in the time of the Pacific War soldiers buried here. Today, poverty is the chief tyrant. In its various forms it oppresses more than half of all our people.

## **Our task today**

For this new struggle we need new heroes—heroes who will *not* die for their country—but live for it. We need plain, everyday people who will respond to their civic consciences and take up their share of civic responsibility. And this is not as easy as it may seem. After all, to die for your country takes only one decision.

To live with civic responsibility means innumerable small decisions—to obey the law; to pay the right taxes; to take your vote seriously—and at every juncture to choose the public interest above our own.

We Filipinos have always found it easier to die for our country than to live for it. Times of peace and civil order we seem to fritter away in bickering. We split so easily into factions, each intent on its own petty agenda. We play at intrigue: each pursuing his or her self-interest, although doing so may be self-defeating.

This kind of antisocial behavior—so like the quarreling of crabs caught in a bamboo trap—cannot go on. We must find a way—in peacetime—to inspire among our people the kind of moral nobility that citizens show in times of revolution and of war.

If we Filipinos are to progress, citizenship must begin to count for more than ties of blood and kinship. We must begin to accept that national society is more than just an aggregation of individuals or families or clans.

The Philippine State has historically required extraordinarily little of its citizens. And, as individuals, we Filipinos acknowledge few obligations to the national community.

But this mutual indifference between State and citizen cannot go on. All of us who are determined to live out our lives in this country must now do all we can to make life in it a little more hopeful—for ourselves and for our children.

As Rizal foresaw a hundred years ago, the time has come to tell ourselves that if we wish to be saved, we must redeem ourselves.

## **Redeeming ourselves**

And in this work of self-redemption we must “expend the whole light of our intellects, and all the fervor of our hearts.”

We have no more time to spare. Our generation can no longer pass the buck to some future Filipino generation. There is no one here but us. Who, if not us, shall set things right? Who, if not us, shall set the foundations for Philippine progress? *Kung hindi tayo, sino pa?*

This is the question we must ask ourselves as we stand here. This is the question we have to answer before history, before our heroes and before our children. This is the question you and I have to answer before our conscience and before God.

Let us pray we can answer it as selflessly as our heroes did—when Fate asked it of them.

*Source:* **Presidential Museum and Library**

**Speech of President Ramos at the 43rd Carlos Palanca Award Ceremonies, September 1, 1993**

**Speech  
of  
His Excellency Fidel V. Ramos  
President of the Philippines  
At the 43rd Carlos Palanca Award Ceremonies**

*[Delivered at the Rigodon Ballroom, Manila Peninsula, September 1, 1993]*

**Forging  
literature**

**a**

**national**

ALTHOUGH for the greater part of history the relationship between writers and their government appears to have been opportunistic at best, tenuous for the most part and adversarial at worst, I feel privileged to share your company.

And this is to recognize that, though from different premises, we seek and share the same goal—a better Filipino society—and not promote any indifference or enmity between us.

Leo Tolstoy said: “All art has this characteristic—it unites people.” This, too, is the purpose of political leadership. Writers and artists imagine the possible; we in Government aspire to turn the possible into reality.

We share a deep and fundamental commitment to the betterment of humanity—a commitment you express through the action of words upon the spirit and we in Government through some spirited action.

**Celebrating the Filipino**

We have much to thank the Palanca Foundation for bringing us together this evening. This gathering of writers—and of the Palanca winners before them—is as close as we can possibly get to a literary peerage or an Academy of Letters, entry into which can be gained solely by proven merit and excellence. Virtually every Filipino writer of note has been recognized by a Palanca award.

The Palanca Foundation’s library of prizewinners is a compendium of much of the best of our modern literature and an invaluable resource for students, historians and future generations of Filipino readers. These awards have not only honored the best of our writers but also and, more important, encouraged writers, especially the young, to produce new and vital literature. They also have served as rites of passage for aspiring Filipino writers.

I note that this year the entries to most contest categories were about double the usual volume, with many new names, representing a wider cross-section of our country and society. This was certainly due to the massive nationwide information campaign the Foundation conducted in search of literary talent beyond Metro Manila and our other traditional centers of cultural activity.

**Uplifting our own culture**

As I have noted of similar initiatives undertaken by other cultural foundations and non-Government organizations, this campaign is especially critical at a time when foreign entertainment fare threatens to overpower, if not obliterate, the truly native elements in our culture. New technologies such as video and the inevitable cosmopolitanization of our society have made such process even easier.

This is not to say that we should, defensively, shut ourselves from foreign influences, which are not only beneficial within reason but also vital to our own cultural growth. But we certainly need to rediscover and uplift our own native cultural character and strength.

It is significant and propitious that the 1993 Ramón Magsaysay awardee for journalism, literature and creative communication arts is our very own Professor Bienvenido Lumbera—one of five awardees chosen from a field of 200 outstanding Asian achievers.

Culture is an inalienable element of development and nation building. It establishes our identity and gives us the inner fortitude and pride, without which all our other efforts are bound to fail.

By their continuing importance, their growing popularity and their broader reach, the Palanca Awards have been a continuing workshop for the forging of a truly national literature. This is of strategic value, for without such a national literature, no nation can possibly aspire to greatness.

Indeed, the experience of those countries that have mattered most in shaping the global face of the twentieth century—the United States, the United Kingdom, Japan, the former Soviet Union, France, Italy, Germany and China, among others—will tell us that each of them has had a long and grand tradition of letters behind them. Their literature has been a vital source of nourishment for the national spirit, a well-spring for their people to draw from in times of gravest need.

My Administration, through such organizations as the National Commission on Culture and the Arts, the National Historical Institute and the Cultural Center of the Philippines, has been greatly involved in the shaping and promotion of a national cultural policy that takes our ethnolinguistic and other diversities into account in charting our direction to the future.

### **To seek and speak the truth**

But let me assure you that even as we speak of a “national literature” or of a “national cultural policy,” it cannot be for Government to prescribe or to dictate what our writers should think and write. No government—except for the irreparably corrupt and the compulsively repressive—should fear its writers, for they, too, are a part of society; they are its rawest nerve, its clearest voice, its keenest minds.

Duty-bound to seek and speak the truth, writers can be both the most difficult and yet the most responsible of citizens. Their nobility—as the French writer Albert Camus noted in accepting his Nobel Prize—“will always be rooted in two commitments difficult to observe: refusal to lie about what we know and resistance to oppression.”

These are commitments our greatest writers like José Rizal and “Ka” Amado Hernández did observe; indeed their greatness emanates from such commitments.

The constructive and unrelenting criticisms that writers provide—in creative literature as well as in the mass media—are democracy’s best insurance for its enduring health and its survival.

Democracy is not a process of cultural homogenizing, but one of tolerance, understanding, and taking the moral action that will make a true virtue of our intelligence.

Today we need the writer’s ministrations more than ever. This is because we are faced today with very real problems of daunting proportions. Our newspapers scream of crime and violence in the streets and in our homes. Although these are far from the actual norm, the mere perception of evil can be very damaging to our spirits and to the national prestige.

### **Institutionalized violence**

Less visibly but at least just as insidiously, institutionalized violence stalks us in the many forms of corruption in Government, injustice in our courts, and the poverty and hunger of millions of our poor.



And we say as citizens—you and I—that we have had enough, we can no longer suffer to be brutalized in complicit silence. We are humans: we deserve better and much more.

I cannot be your President and yet be unaware and unmindful of these realities. To ensure that these evils are defeated and banished from our society, I am doing now what others before me did not do or refused to do.

And yet I would suggest to you that our reality can be neither so loveless nor so desolate that we could not retrieve from it—and return to it—some well-being of hope to nurture and to multiply.

With clear heads and clear hearts, we can go beyond our common complaints and even our deepest griefs. Each of us can say: I will be different; I will lead a life of love and service; I will give cause for my neighbor to do the same. Surely these are simple propositions, and surely, like many simple things, they are supremely difficult.

But it is both literature's virtue and its responsibility to engage in reaffirming our fundamental humanity and the unity of our interests and aspirations as a people.

### **Toward a new literary hero**

In this regard, let me suggest—not dictate—that we need a literature that will uplift, and not debase, the human spirit—a literature more in the heroic, than in the tragic, mode. We need new heroes—heroes who will inspire us not because they own some superhuman talents, but because they exemplify the best of what it is to be human. No character can be great and be inspiring who has not lived on the open page, who has not struggled mightily against real, overbearing forces, and yet has prevailed.

I believe that literature and art must do more than mechanically represent the sordidness around us. True, evil and squalor are a part of our daily existence. No work would be authentic and complete if it did not accept these among its premises.

But mere representation alone—however finely detailed or however stylishly composed—will not of itself lead to the positive moral action we need to design and exemplify.

That the world is full of evil is old news. Even the aesthetic challenges in its presentation have largely been met. Now we must ask: What is to be good? How can one be good in such a seemingly blighted universe? What are the limits of our humanity, and how do we extend them?

It is in dealing with such questions that, I think, the greatness of our writers and their vision will be tested.

It will be in the grand sweep of such as the Russian Masters who were not afraid to raise the simplest—but the most difficult—moral questions of the age, beyond the passing politics of the morning's newspaper.

It may be the natural province of art to idealize and to invent, but one can be too clever at invention. Seek artistry, yes, but one even more enlarged by a fundamental honesty.

And if you must be honest with yourselves as writers, I think we will all agree that when all is said and done, you will have wanted to have written something that mattered, something that made a positive difference in the consciousness and lives of our people.

I propose that you can do this by helping create a new archetypal hero of the triumphant Filipino, a hero who has faced the odds, made the difficult choice and emerged the better person and citizen. Someone who will not fear to hope and to love; someone with the humility of faith and the grandeur of ambition.

Do this, and we in Government will march with you to realize that common dream.

*Source:* **Presidential Museum and Library**

**Speech of President Ramos at the opening of the People's Economic Summit, September 8, 1993**

**Speech  
of  
His Excellency Fidel V. Ramos  
President of the Philippines  
At the opening of the People's Economic Summit**

*[Delivered at the Philippine International Convention Center, Manila, September 8, 1993]*

**A people's summit  
for development**

LET ME WELCOME you all to this people's summit, the mother of all national summits, which raises to the highest authority in our country—the direct representatives of the people—the agreements arrived at between the executive and the legislature on August 20th.

We have here a genuine cross-section of the national leadership—not just in government and politics, but in our larger civil society. We have representatives of the people's organizations; trade; business and industry; farmers and workers; professionals and academics; the underprivileged and cultural communities; women, the veterans and the youth. And we also have leaders of the churches and the non-Government organizations.

**Recognizing our social crisis**

We have come together in recognition of our social crisis and the need to do something about it in a positive and integrated way.

Political conflict and economic stagnation these past 47 years since independence have made our country the exception to growth and rising standards of life in East Asia. Now we have come to realize we cannot continue with the approaches and directions we have been following these past two generations. We have reached the point where a national consensus for development is now imperative.

We have also come to agree this is our last chance to put our house in order. And it is true we can no longer pass the buck to some future generation. It is both our burden—and our opportunity—that this task has come down to this generation of leaders. There is no one here but us.

We are gathered here to agree on an explicit plan of action—to which every social, economic, cultural and political sector of the national community can commit itself. The stage is thus set for us to forge a comprehensive, multisectoral consensus on the strategic direction our beloved Philippines must take, to agree on the guidelines to accelerate our national growth, and to identify and pursue policy reforms we need to put all these into a fast-forward mode.

**Drawing up a social compact**

We have had before these innumerable workshops, consultations, caucuses and conferences on how to jump-start our economy, but this summit should integrate all our diverse proposals into a general blueprint that will enable us to realize our vision of a better Philippines by the year 2000. The previous forums were all valuable exercises, but they focused on the interests of their groupings. Now we can give all our plans a common thrust, and reconcile each scenario into a course we can all take together.

The executive-legislative dialogue we held earlier demonstrated the extraordinary willingness of the two branches to come together to resolve urgent matters critical to the nation. I am delighted that the judiciary and the private sector are well represented in this larger summit.

Now that we are all gathered here, let us agree to accomplish two things: First, let us forge agreements on structural-reform measures as proposed in the joint legislative-executive statement of the August 20 summit. Second, let us forge agreements on the safety nets that must be put in place to minimize the social cost of policy reforms for our more vulnerable sectors.

In a larger sense, we shall be drawing up a social compact—a Social Pact for Empowered Economic Development (SPEED) that attests to our recognition of our civic obligations to the national community; and our determination, individually and collectively, to do all we can to achieve the national purpose.

My Administration recognizes the right of the basic sectors to be consulted and to take part in decision-making on matters concerning them. I have issued an administrative order creating a multisectoral task force that will ensure regular consultative exchanges on matters discussed and agreed upon in this people's summit. This will be regularized in periodic meetings with me and with officials in the field.

Specifically this body will monitor and review the agreements reached during this summit and other national consultations; ensure the implementation of the agreements we have arrived at here; provide a mechanism for regular consultation in the formulation of Government policies and programs at different levels; and with the participation of people's organizations, ensure the compliance of my directives to all departments and Government agencies in the implementation of programs and projects.

### **Structural reforms**

The creation of this multisectoral task force marks the institutionalization of our consultative process—a process that this Government espouses under the basic principle of people empowerment.

We must transform our economy from the slow-growing, inward-looking and import-substituting economy that it has been—to high growth, an outward-looking export orientation and global competitiveness.

We must turn agriculture to more effective land use and higher-value crops; ensure that manufacturing becomes more efficient; and make jobs in the service industries more meaningful than vending on sidewalks and exporting housemaids.

We must dismantle the entire regime of monopolies and cartels injurious to public interest and rationalize the whole system of legal and administrative preferences—quotas, franchises, leases, protective tariffs, tax exemptions, import licenses—that has enabled people having political influence to extract wealth without much effort from the economic system.

We must enlarge our tax base and improve our tax collection efficiency.

We need to invest more in infrastructure and in human resources—in health care, basic education and skills training.

### **A matter of give-and-take**

To do all these, every sector represented here must be prepared to give as well as take. Government itself is prepared to walk the extra mile to show its seriousness in what it has to do. This is why we have maintained the momentum of the peace process toward those who fought the Government in an armed struggle.

We are also prepared to demobilize the Citizens' Armed Forces' Geographical Units where local conditions allow us to do so safely. Our effort to dismantle private armies and to stamp out crime and social violence will continue with greater vigor. So will our effort to privatize public corporations.

We need to undertake reforms as a united people. Reforms may hurt some sectors—while helping others.

Those who benefit from structural reform must be willing to share their windfalls. Those who suffer from it must find comfort in the national community's efforts to ease their pain.

To cushion the short-term adjustment costs of structural reforms, we must spread safety nets for the most marginalized and vulnerable of our social groups.

Let me take this occasion to acknowledge the helpfulness of the legislature, which deserves special praise for the thoroughness of its preparations—and the quality of the reform programs it is bringing to our deliberations here today.

In the end, our ability to lift up the common life—to raise living standards—depends on the effectiveness with which we use our country's resources of labor and capital.

I see Government's role in the economy as ensuring that our national pool of labor, resources and capital is deployed with ever-rising levels of productivity. Government's role is not to protect our industries from competition. It is not to subsidize or coddle overaged "infant" industries.

Government's proper role is to push and challenge the agricultural, industrial and services sectors to strive, to innovate, to compete.

Government's aim shall be to create the environment in which Philippine firms can upgrade their competitive advantage.

Government's goal shall be to encourage competition— because competition at home stimulates our competitiveness in the world market.

### **Challenge and response**

To sum up: We shall need a heroic effort—just to keep up with our vigorous neighbors. For this reason, we must strive at this gathering to do more than just reach the least common denominator of agreement.

Each sector represented here is called on to rise above its special concerns—in the name of the public welfare and the national interest.

We have chosen the right name for this gathering: the people's summit. For me, this summit evokes Toynbee's memorable metaphor of how civilizations rise and fall.

The British historian likens human societies to climbers on a cliff. Some societies have ceased to aspire. They are content with the static safety of meager niches on the rockface. Others keep ascending—risking the danger of a fall, for the glory of the peak.

What kind of society shall our country be?

Toynbee concluded that a civilization flourishes—or disappears from the face of the earth—depending on how it responds to the challenge of adversity.

History is made not by impersonal forces over which human beings have no control. History is made by people's creative responses to the challenge of adversity.

The questions we Filipinos must ask ourselves are: Have we become inured to the inertia of failure? Or are we a people strong enough to dare to be the best of what we can be?

The answers are ours—together—to give.

Let not our posterity say that when the challenge came to our generation, we proved unequal to it.

At historic junctures in the past, our forebears had faced up to the challenge of adversity—and emerged triumphant.

I believe we can do so once again. We can create—for ourselves—the conditions for self-sustaining growth. And we can become competitive—against any tiger or dragon—big or small, old or new.

*Source:* **Presidential Museum and Library**

**NATIONAL GOVERNMENT PORTAL – EDITED AT THE OFFICE OF THE PRESIDENT OF THE PHILIPPINES UNDER COMMONWEALTH ACT NO. 638**

**Speech of President Ramos at the opening of the 6th Asian Retailers' Convention and Exhibition, October 6, 1993**

**Speech  
of  
His Excellency Fidel V. Ramos  
President of the Philippines  
At the opening of the 6th Asian Retailers' Convention and Exhibition**

*[Delivered at the Philippine International Convention Center, Roxas Boulevard, Manila, October 6, 1993]*

**Asia's vigorous markets**

TODAY as we meet here in Manila, similar region-wide forums are also taking place in other Asian capitals. Virtually no week, no month and certainly no year passes by in which our regional associations—public and private—do not meet to consult and fine-tune their cooperative undertakings.

Today, the winds of change are blowing all over Asia—away from war and toward peace, away from the old insecurities and toward a new confidence in a better future. The Cold War is behind us; the deep-seated conflict in Cambodia has recently been resolved.

As peace and stability have arisen among us, economic progress has swept through our continent on a scale we have not seen before.

**A time of cooperation**

If this great tide of change is upon us, I submit that this is partially because we Asians are finally learning to live with one another. By that I mean not merely tolerating each other's diversities but also living in active cooperation and pursuit of shared purposes.

Cooperation has seen us through the worst of natural and man-made catastrophes. Cooperation will also enable us to realize the great promise of progress to Asia in our time.

Already, Asia is the fastest-growing region in the world today. During the last ten years alone, economic progress has been rippling over in a positive chain reaction that is changing the face of all our countries.

One reason for this is internal. The countries that have progressed the most are those that set aside divisive partisan politics and consecrated themselves single-mindedly to the tasks of modernization and development. They have boldly embraced new market-oriented policies and resolutely implemented them. They have opened their doors to investments and trade. And they have invested heavily in their human resources.

But there is also another reason. And that is their resolve to link themselves to the global economy and to the economic fortunes of neighbors.

**Economic synergy**

Economic interdependence has bound separate nation-states together and reconciled even the most bitter enemies. Against the gravitational pull of mutual economic benefits, nationalist ideologies have given way to economic cooperation and synergy.

To progress, we have all come to recognize the importance of trade and investments freely cutting our cherished borders. To progress, we have also come to realize that we Asians must mold ourselves into a cohesive economic bloc in the world.

Today we see an increase in trade among the Asian nations involving agricultural and industrial products, technology transfer and exchange of human resources skills. Not long ago, Asian products could find their way only into small Oriental stores in the United States and Europe. Now they are steadily creating their own niche in the international market. Today, Asian products are displayed in the largest department stores and are making waves in international expositions all over the world.

Not long ago, our countries did their trade mainly with the Western countries and Japan. Today, we are doing more trade with one another here in Asia—such that what one country produces is sold in other countries. The high level of intra-Asian trade is clearly one of the most important factors in Asia's rise to economic pre-eminence.

For this phenomenon, we must of course give credit to the economic planners and captains of industry of our respective countries. But equally, these economic miracles have been brought to birth by your community—the Asian retailers and entrepreneurs who have turned the entire continent into a vigorous market.

### **The role of retailers**

In our quest for economic growth, you who are in the marketplace are the main catalysts. You who are directly in contact with the consumers play a vital role in promoting economic growth in your respective countries and throughout the region. As retailers, you determine the market forces. Economics dictates that the seller's products are only good on the day they are sold to the consumers. And the continuous process of trade is ensured only if the seller's products are patronized.

As this convention addresses the theme of "Retailing Opportunities into the Twenty-first Century," we speak of the indispensable role of retailing as a catalyst of production and trade. As members of your respective national retail associations, you are vital links in the manufacturer-consumer chain. At the same time, as members of the Federation of Asian Retailers' Association, you serve as a key bridge between Asian manufacturers and world buyers.

It is in this light that you must plan for the year 2000 and beyond. You must take stock of all that is abuilding in Asia today, of the exponential growth in productivity that is certain to happen during the balance of the twentieth century. And then you must formulate and implement a blueprint for the promotion and development of the retail industry in Asia.

In turn, we in Government must focus full attention and needed support to create a more conducive climate for expanded trade. All of us throughout the Asia-Pacific region ought to give our undivided support to our respective retail associations and include on the economic agenda the passing of liberal trade policies geared to enhance business opportunities.

Increased trade will benefit all. None of us should fear that the greater traffic of Asian products in our respective markets will diminish our respective changes to modernize and industrialize. Economic competition is not a zero-sum game in which one side wins what the other loses. In economic competition, everybody wins, and even the relative loser ends up richer than when he started.

### **The AFTA scheme**

It is in this light that we in the Association of Southeast Asian Nations today have committed ourselves to creating AFTA—the ASEAN Free Trade Area. Over a period of 15 years, we envision a free-trade area in our region that will cover a wide range of goods and services.



AFTA will complete our efforts at economic unification designed to give our six countries the cultural variety, the talent pool, the business clout, the technological resilience and the attractiveness to investors required for us to become a major player in the global economy.

We in ASEAN do not see business competition as preventing economic cooperation. Indeed, we see cooperation as imperative.

For much the same reason, the whole of Asia has no reason to erect tariff walls for protection. It should not fear competition.

Regarding APEC (Asia-Pacific Economic Cooperation), I have stated on many occasions, the most recent being my letter of October 2nd to U.S. President Bill Clinton, the Philippine position as follows:

“Here in the Philippines, we are working to strengthen our democracy and the rule of law, while . . . restructuring an oligarchic economy left over from the past, not by returning to authoritarianism but by democratizing our economy and empowering ordinary people with equal opportunities and better capabilities to participate in nation building.

“And we realize our efforts to put our house in order and open up our economy can succeed only in the context of a global free-market system—a world without artificial barriers to trade, where people can produce, build, and progress together in harmony and tranquility.”

For his part, President Clinton wrote to me beforehand:

“Over the past two decades, the Asia-Pacific region has undergone historic economic transformation, APEC members now account for nearly half of the world’s output and most of the fastest-growing economies. In light of this, I believe it would be highly useful for leaders to come together just after the APEC ministerial conference to discuss the economic challenges and opportunities that the region faces as we enter the twenty-first century.”

### **The Philippine vision**

In the Philippines, this need for open doors and less-and-less government intervention has been a long time coining. This Administration has addressed this need decisively.

Today, basic structural reforms are in place, and many more are on the way. At long last, we have begun democratizing the national economy.

Our reforms allow the wider participation of foreign investment in nearly every aspect of the economy, including commercial banking. We have freed all foreign-exchange transactions in the country. Over a five-year period tariffs on a wider range of products from many countries, including our Asian neighbors, are being brought down.

We are currently reviewing our taxation system to allow industries to come up with more socialized pricing schemes for their products. We have spearheaded dialogues and conducted consultations with the banking community to dovetail their credit policies with our concept of liberalized lending.

We have implemented the Magna Carta for small and medium enterprises with an active guarantee and financial back-up system. And we are now on the way to completely licking the power shortage that has prevented us from fully taking advantage of our opportunities.

All these are part of what we call “Philippines 2000”—our national strategy for sustained development over the next six years.

We, too, are looking forward to joining the ranks of the newly industrializing countries by the year 2000. We want to become part of the great Asian economic miracle.

To this effort, let me say now, the Philippine Retailers' Association will have much to contribute. And it is already a measure of the Association's commitment that it has ventured to host this convention and exhibition of Asian retailers here in Manila.

I now challenge the Filipino retailers here to immediately formulate their own plan to support "Philippines 2000."

### **Winning the future**

Ladies and gentlemen, meeting the challenge of the twenty-first century will not be easy—for our individual countries and for Asia as a whole. We are truly a continent on the march, but the rest of the world will surely also be on the move.

For us in Asia this is a time for opportunity. We must seize the moment. Working individually and at cross purposes, we will not achieve very much; indeed, we will likely fall behind other regions. Working together, we can redeem the promise of progress for Asia's peoples.

Here in your Federation of Asian Retailers' Associations, I am confident that you will do all to help redeem this promise of the future. I am certain that your Federation is more than capable of addressing the demands of the dawning new century.

Already, through this convention and exhibition, we can see how your Association can collectively pursue programs that promote economic growth in the region. Though from diverse cultural backgrounds, you are united and have remained united, bound by the quest for excellence.

I will end by saying here what I have said repeatedly to all my countrymen and to all my hosts in my travels through Asia: for Asians today, I believe nothing is impossible. We are industrious, we possess a high degree of creativity and innovativeness. We are resourceful and resilient, and we are all Asians, brother to one another, and we now know it!

Finally, take a new look at the Philippines. We are back in business, in the center of Asia and the Pacific, with a fresh posture of stability, dependability and solidarity.

Again to all of you, welcome to Manila. May you have a pleasant stay and a most fruitful conference.

*Source:* **Presidential Museum and Library**

**NATIONAL GOVERNMENT PORTAL – EDITED AT THE OFFICE OF THE PRESIDENT OF THE  
PHILIPPINES UNDER COMMONWEALTH ACT NO. 638**

**Speech of President Ramos before the Veterans' Federation of the Philippines Annual Assembly, October 11,  
1993**

**Speech  
of  
His Excellency Fidel V. Ramos  
President of the Philippines  
Before the Veterans' Federation of the Philippines Annual Assembly**

*[Delivered at the Philippine International Convention Center, Roxas Boulevard, October 11, 1993]*

**The veterans' faith**

MORE than just camaraderie and fellowship bring us together every year without fail. We gather here today also for an even more important reason—to take stock of where our country is today and where it is going.

Without some accounting of how our country has fared after conflicts and trials, the sacrifices of so many would be for naught. Without redemption in terms of greater stability and progress in our national life, the heroism of comrades would be robbed of meaning.

**Country on the move**

But we meet at an auspicious time for our country. Though difficulties remain, we are a country at peace and on the move. Our democracy has never been more secure. And for the first time in many decades, there is hope that our dreams and objectives as a nation can be fulfilled.

For this, neither I nor my Administration can claim full credit. Nor do I underestimate the enormous problems still facing us. I say only that in surmounting our many national trials, we are finally transforming our unity of interests as a people into a unity of purpose as a nation. We have reached the threshold of development—ours is the unique opportunity and challenge to make it truly happen.

Today there is much more to say what is right with the

Filipino and about this country. Today there is greater faith in the Filipino—here at home and abroad.

As in war, so in peace, the fate of nations rests on faith.

Amid the trials of war, we were all nurtured by the thought we would succeed, not because of what we had but because of what we were; not because of what we possessed, but because of what we believed in. In the strength of our faith, we prevailed.

The same is true of the trials now before us. It is not by licking our wounds or lamenting our problems that we will surmount them. It is not by relying on the kindness of others that we will overcome our difficulties. Rather, it is by our doing and daring.

Today, when we all realize how much time we've lost and how many opportunities we have squandered, I believe we're finally getting our act together. We have made a decisive start at turning the nation around. We have launched reforms for which we had lacked the political will in times past. And for the first time in nearly a generation, we are seeing millions and millions of our countrymen taking part in the struggle to move our nation forward.

## **Faith in democracy**

We are not prepared to accept—no Filipino should accept—second- or third- or fourth-rate status for our country.

As a people and as a nation, we can compete. And I submit, my fellow veterans, that we stand on very solid ground.

It has sometimes been suggested that because of our exuberant democratic tradition, we have achieved too much freedom and too little development. Consequently, it has further been suggested that we would be better off instilling more discipline and less democracy.

We who have fought so hard for the blessings of freedom and democracy in our country reject this counsel. I say, let us improve our discipline and protect our democracy.

We believe that progress must come with freedom, and never at its expense. Other people may see their priorities differently, but ours have been shaped on the anvil of experience and in the crucible of war—four and a half centuries of colonialism and several wars of independence.

If in the making of a democratic society we have forged further ahead than much of Asia, then that is our good fortune, and we should make the most of it.

If in the pursuit of development, democracy poses procedural difficulties, then so be it. We would not want it otherwise—certainly not at the price of another experiment in authoritarianism.

Throughout our history, many have been the times when we have had to stand and fight together—in quest of freedom, in defense of freedom and in pursuit of the blessings that come with freedom. It would be a travesty of history; it would be a mockery of the sacrifices of our veterans and fallen comrades if in the present struggle for development, we mortgaged our democracy for some easy gains.

This nation, which was founded on the blood of martyrs, will survive and prosper on the strength, not on the weakness, of its democratic faith.

For such a nation as we, there is no road to development other than the way to freedom and democracy.

## **What it takes to develop**

But we must also guard against the costly illusions of the past—that democracy by itself can bring development; that having installed the right to vote, we have therefore empowered our citizenry; that national economic recovery can come without fundamental reform; that economic prosperity can result from the trickling down of benefits from the rich to the poor; that the nation can advance with only a few sectors enjoying the resources for development.

Today, it is plain that we can develop and modernize only to the extent that we have more authentic democracy in our society, not less.

We cannot instill efficiency in our economy save by pervasive reform in the way we do things and apportion the resources for creating wealth.

We cannot improve Government save by driving off the vultures of corruption from the bureaucracy and our public life.

We cannot have peace and stability unless we handcuff once and for all the forces of crime and rebellion, which threaten the peace of our streets, the safety of our homes and the security of our republic.

We cannot have the resources to finance these great endeavors unless Government fully gets from taxpayers what is due it and unless we demonstrate our capability to collect what is due the public coffers.

And we cannot have development unless we harness and release the energies and talents of our millions of people who want to produce, to create, to advance and to achieve the blessings of life that they believe are theirs to win.

### **Empowering the veterans**

My fellow veterans, it was in rigorous terms that we were called upon to serve our people and our country in the trials of war. Nothing came easy. There were no quick fixes, no short cuts to victory. But in the end—with courage and faith in ourselves—we prevailed.

The same faith, the same courage, must serve our country now. If this nation dares, as our founding fathers and veterans dared during their time, we can surely surmount the challenges of the present. I have no doubt we will achieve our shared national vision embodied in “Philippines 2000.”

As may already be known to you, pursuant to Republic Act 6948, the Government’s 1994 budget has some P1.678 billion allocated to standardize and increase the pension of veterans. A few days ago, the House of Representatives approved the 1994 budget, so it is likely this figure of P1 .678 billion will stay. This is the least we can offer to those of you who risked your lives so that we may enjoy freedom today.

I have also certified a bill that doubles to P1,000 the old-age monthly pension of our veterans 65 years old and above. Moreover, I have certified as a priority Administration measure House Bill 8865, which grants dual citizenship to Filipino World War II veterans who had acquired U.S. citizenship, but chose to stay in the Philippines. We certainly sympathize with veterans who, on acquiring U.S. citizenship, become virtual aliens in their own country and yet are unable to meet the financial requirements of acquiring residency status in their adopted homeland.

### **Pursuing unresolved claims**

Also in place are various programs and initiatives for the welfare of our veterans. You have identified and developed most of these yourselves for my support, which I have given.

On my forthcoming visit to the United States I shall take up with the highest U.S. authorities the unresolved claims of Filipino veterans on the American government.

I thank you for this manifesto of support you have presented me. Your continued faith and assistance will be invaluable in the days, months and years to come.

Let me say in response that I will steadfastly work for the continued upgrading and improvement of the benefits program for our veterans community.

*Source: Presidential Museum and Library*

**NATIONAL GOVERNMENT PORTAL – EDITED AT THE OFFICE OF THE PRESIDENT OF THE PHILIPPINES UNDER COMMONWEALTH ACT NO. 638**

**Keynote Address of President Ramos during the World Food Day, October 15, 1993**

**Keynote Address  
of  
His Excellency Fidel V. Ramos  
President of the Philippines  
During the World Food Day**

*[Delivered at Ceremonial Hall, Malacañang, October 15, 1993]*

**Toward  
harvest of plenty**

**tomorrow's**

TODAY, we mark the 13th World Food Day and the 48th year of the Food and Agriculture Organization (FAO). Recognizing FAO's dynamic leadership in assuring every nation—and every human being—equitable access to food, the Philippines joins the international community in renewing its commitment to world food security.

Aimed at strengthening world unity in confronting the world's urgent food problems, the first World Food Day marked the world's renewed determination to wipe out hunger and poverty from the face of the earth.

More than a decade has passed, but the struggle is far from over.

While pursuing the elimination of poverty, hunger and disease, we discover the remaining resources on which we pin our hopes to win the battle are also seriously threatened.

**Neglecting biodiversity**

Population growth, industrialization, poverty and hunger, apathy and neglect are depleting our land and water resources, and robbing mankind of its chances for survival.

One vital resource under grave threat, which we have often neglected in the past, is the variety of life systems that exist on earth, which we call "biological diversity."

Nature's diversity—plants, animals and the ecological system of which they are part—represents a global resource on which all countries and all regions depend.

It provides the raw materials—which in this case is the combination of genes—from which we build the plant varieties and animal breeds we raise for food, clothing, medicines, shelter and survival.

Unfortunately, as the FAO has noted, we are losing nature's biodiversity at an unprecedented rate.

We lose it when we deplete, degrade and destroy our forest, our seas, our rivers, which are the natural habitats of countless wild plant and animal species.

We lose it when we opt for "high-tech" agriculture that replaces traditional crop varieties and ancient animal breeds with high-yielding monocrops.

**An inadvertent "crime"**

Indeed the magnitude of environmental degradation in our country has severely affected our ability to sustain the earth's resources and their productivity.

Each year agriculture loses one billion cubic meters of precious topsoil to erosion. Hundreds of millions of pesos' worth of crops is lost each year to flooding.

These are the grave consequences of overlogging, which has shrunk our forest area to just one-fifteenth of its original size.

A mere 7 percent remains of our original forest cover, bringing about precipitation extremes such as droughts and violent monsoons.

Likewise, our marine resources are being fast depleted and destroyed. Illegal fishing methods have ruined 70 percent of our coral reefs, and deforestation and fishpond conversion have reduced mangroves to one-third of what was there in 1918.

In addition, most of the country's municipal fishing grounds are in danger of being overfished. Moreover, 50 of our more than 400 major rivers are heavily polluted, with ten virtually dead—as erosion, mine tailings, and residential and industrial waste take their toll.

It is easy to put the blame on one group of villains alone: the illegal loggers, the manipulative policy-makers, the pollutive industries, the bribe-taking law enforcers.

Yet, most of the time, the abuse and destruction of the environment and biodiversity are actually unintended and a direct consequence of man's inherent passion for growth and expansion.

Much of the ecological damage, for example, is brought about by the heavy burden that our fast-growing population imposes on the environment.

More people means having more mouths to feed, more bodies to clothe, more heads to shelter, and more garbage to dispose of. Rapid population growth—a Philippine and Third World phenomenon for the last forty years—drains natural resources and strains the environment's ability to renew itself.

### **A vicious circle at work**

A deeper analysis of the ecological and biodiversity problem will, therefore, show that a vicious circle is at work here. Poverty compels people to destroy their environment.

The destruction of the environment, on the other hand, pushes people into the deeper mires of poverty and greater destructiveness.

Obviously, the issues of biodiversity and environmental degradation cannot be sufficiently addressed without addressing poverty.

This makes Government's task extremely difficult. We cannot punish many of our environmental offenders just for being poor and desperate. This would be an affront to justice and humanity.

For those who greedily plunder our natural resources for personal gain, we must set in place draconian measures to end their operations. We must punish them severely.

Yet, for the most part, environmental protection and enforcement must be pursued with an eye to rehabilitating its poorer offenders.

## **Our ecological imperatives**

Toward this end, several ecological imperatives have begun to emerge. To address the problem of rapid population growth, we must have a comprehensive and effective family-planning program.

We must reverse the denudation of our forests by banning indiscriminate commercial logging; by promoting socialized forestry; and by embarking on a massive reforestation program.

We must provide alternative livelihood opportunities for the small offenders displaced from their ecologically unsound activities.

Above all, we must educate our countrymen into doing their share to protect and preserve the environment.

The agricultural sector's role in environmental protection, and in the preservation of biodiversity, in particular, is crucial.

The FAO has pinpointed as one of the culprits modern man's propensity to cultivate only a few high-yielding plant and livestock species on a large-scale basis, thus threatening traditional crop and livestock varieties.

Over large tracts of land, the traditional diversity of crop varieties has been replaced by monocultures of high-yielding ones requiring irrigation and intense applications of pesticides and fertilizers. The trouble is, the genetic uniformity of a crop planted season after season only invites epidemics.

Similarly, the high-level application of fertilizers, insecticides and other chemicals destroys the inherent physical, chemical and microbiological properties of the soil, as well as the flora, fauna and other life forms of the whole ecosystem.

Obviously, we have to review our agricultural policies in the context of what is called "sustainable agriculture."

Given our present parameters, food production must be substantially accelerated to keep pace with population growth.

But since the edges of horizontal expansion have been reached by many countries, including the Philippines, the thrust of our efforts has been to intensify agricultural production, meaning we try to harvest more from less land.

We now realize, however, that this must be done within ecological or sustainable limits. High-input agriculture is generally very productive, but it uses large amounts of chemicals that tend to produce sustained on-site and off-site environmental degradation.

I am convinced that we are all agreed that high-input agriculture should be modified by alternative technologies and practices that assure long-term sustainability without sacrificing productivity gains. Sustainable agriculture is our goal and challenge.

Our Government's key production area approach, designed by Agriculture Secretary Roberto Sebastian, is firmly premised on "agricultural sustainability." Indeed, our medium-term plan for agriculture serves as a viable model of "agricultural modernization" that is not contrapuntal to, but is instead premised on, "sustainability."

## **New technologies for environmental enhancement**

Foremost among the supporting technologies adopted in this program is the integrated pest management, or IPM. With IPM farmers learn to use "the best mix of pest control for a particular field in a particular season."



Another sustainability-boosting measure is composting, which makes use of available organic materials as a supplement or substitute for industrial fertilizers.

For upland farming, sloping agricultural land technology uses such methods as intercropping to conserve and enrich soils, and to enhance farm productivity through efficient crop management.

In this integrated system, trees improve soil fertility by preventing soil erosion and adding nitrogen and nutrients that are ordinarily inaccessible to crops.

At present, coconut, coffee, cacao, citrus and other fruit trees are being successfully intercropped with food crops. We see this as a profitable way to speed up the nutrient cycle, as well as to optimize land use by layering production.

The P5.0-billion fisheries sector program has several major components that promote such ecological remedies as ecosystem rehabilitation, resource management and conservation, and law enforcement.

The reforestation of mangrove areas is a priority, with an initial target of 2,500 hectares in Calauag Bay, Carigara Bay, Pangil Bay and nine other bay areas.

The program strives to establish fish sanctuaries and endangered fishery zones, and to expand the Department of Agriculture's artificial-reef program.

### **Involving the citizenry**

Of course, the measures I enumerated would not even take off without the involvement of a concerned citizenry. The best efforts of Government—or, for that matter, of any citizens' groups—have no impact on ecological concerns if these are done unilaterally.

Our efforts must be concerted, and each must do his share.

I therefore commend all the groups, agencies and individuals that continue to seek ways to address the urgent need to increase food production and incomes, and eliminate hunger and poverty in the world without jeopardizing the forest, the plains, the seas, the air and the million and one life forms that they sustain.

If we earnestly intend to preserve the earth, if we wish to earn the gratitude of our children, then we must change our ways; we must unlearn our selfish ways of doing things. Instead, we must learn to recapture our forefathers' spirit of solidarity with nature.

Only in this way can we face the future—indeed, this coming century—with a clear conscience and even richer grounds beneath our feet for growth.

If we are to attain our vision of "Philippines 2000," it must be on the basis of the expenditure of our best and brightest efforts, and not at the expense of helpless nature.

The wisdom of thousands of years of human civilization has not changed: the best way to fight hunger is still to keep the soil and the seas alive.

Join me in this effort, and help me plant the seeds for tomorrow's harvest of plenty.

*Source:* **Presidential Museum and Library**

**NATIONAL GOVERNMENT PORTAL – EDITED AT THE OFFICE OF THE PRESIDENT OF THE  
PHILIPPINES UNDER COMMONWEALTH ACT NO. 638**

**Speech of President Ramos at the National Day to Overcome Extreme Poverty, October 17, 1993**

**Speech  
of  
His Excellency Fidel V. Ramos  
President of the Philippines  
At the National Day to Overcome Extreme Poverty**

*[Delivered at Rizal Park, Manila, October 17, 1993]*

**A new front in the war on poverty**

THE TESTIMONIES we have just heard and the memorandum-signing we have witnessed sum up the aspirations and struggles of the poor to liberate themselves from the vicious circle of poverty and to improve the quality of their lives.

We are well aware of the ill effects that grinding and widespread poverty can bring to a country and its people.

It can engulf communities and social sectors and may be transmitted from generation to generation. It shortens lifespans, dissipates the human spirit, erodes family and community values, and ultimately destroys the social and economic fabric of a nation.

**A majority of the poor**

The glaring fact remains that, in our country today, we still have a minority that has too much and a majority that has too little.

A very few privileged Filipinos have too much in material possessions, in power and in opportunities, while most of our countrymen have too little or almost none of these.

What is the role of government then? It is to direct all its resources toward correcting this grave social and economic inequity.

But we cannot—and must not—achieve this by taking away the possession of wealth or by pulling down the rich to the level of the poor.

We can and must act toward giving the poor equal access to the minimum basic needs of every Filipino family, such as food, water and shelter.

In addition, we need to provide them with adequate job opportunities and with the justice that will dignify them as citizens and as human beings.

We can and must continue to remind our economic and political elite that unless the imbalances are tilted toward preferential options for the poor, we shall face much graver problems in the future.

When I took my oath of office before our people, I committed myself and my Administration to the empowerment of Filipinos, and to their liberation from poverty and injustice.

## **Government must intervene**

Because the poorest of our people have neither the economic nor the political power to improve their stations, Government must intervene, and act as a liberating force in their behalf.

Government must reach out to all the marginalized and vulnerable sectors in our country—the poorest of the poor, women and children in difficult circumstances, persons with disabilities, the elderly, the cultural communities, disaster victims—so that they will have access to health care, livelihood and employment opportunities.

More important, they must be given the opportunity to be heard and listened to.

Those of us who are more privileged must reassure the poor and the weak that they matter in the national life and in the national future.

The memorandum of agreement signed by the governors of the most depressed provinces with commission chairman Jaime Cura marks a new phase in this war.

Local executives shall now assume full responsibility for the implementation of programs to ensure the delivery of basic services, with the National Government providing the back-up and technical assistance when so warranted.

That these governors have signed this agreement in our presence means that they made a covenant with their constituencies and their President. We will bind them to this pledge.

It is important to remember and to understand that we are addressing a massive problem resulting from centuries of exploitation, mismanagement and neglect. And the only way we can gain time on poverty is to redouble our efforts today.

This we have begun to do. Government has been helped by the private sector, by ngos and by people's organizations, and I thank them for their invaluable contributions.

I have instructed the Department of Social Welfare and Development, the primary welfare arm mandated to serve the poorest of the poor, together with other agencies created to address poverty, such as the Presidential Commission to Fight Poverty and the Presidential Commission for the Urban Poor, to employ a coordinated, cohesive and comprehensive approach.

## **The role of the poor**

All the other departments, whatever their distinctive concerns and programs may be, must manifest a strong bias for the poor in their thinking and their activities.

The bottom line is that whatever it is you do, keep our poor in mind, and find a way to help them.

We will continue to count on the support of the private sector: NGOs, people's organizations, U.N. agencies and the more developed donor countries.

You, my friends from the rural and urban depressed communities, have a key role to play in your development.

As we dignify the poor of our country and of the world, let us reaffirm our commitment to fight poverty in all its forms, and wherever it exists.

While October 17 has been declared the national day for overcoming extreme poverty, we must do our part to overcome poverty in our country every day for as long as there is one child or one family who is deprived of the basic necessities of life.

And I will do all I can as your President to see that the pledge we have made today is one that we will help, and a pledge we can be proud to have made.

*Source:* **Presidential Museum and Library**

**NATIONAL GOVERNMENT PORTAL – EDITED AT THE OFFICE OF THE PRESIDENT OF THE  
PHILIPPINES UNDER COMMONWEALTH ACT NO. 638**

**Speech of President Ramos Before the Filipino-American community**

**Speech  
of  
His Excellency Fidel V. Ramos  
President of the Philippines  
Before the Filipino-American community**

[Delivered in San Francisco, California, U.S.A., November 10, 1993]

**Sharing in the  
Filipino dream**

I AM VERY GLAD to be here in San Francisco—a port through which many generations of Filipino immigrants and travelers have passed.

The Bay Area is perhaps America's best showcase of East and West working together—by respecting the past while looking toward the future.

Your presence here today means a lot to me. I realize that you have had to take time off your busy schedules to meet me. I know how busy life can be for a Filipino in the United States.

After all, many years ago, I was an expatriate here myself. I was young and far from home, and America was a vast and often bewildering country—full of challenges and opportunities for those who would take them.

**Giving substance to democracy**

My circumstances obliged me to return to the Philippines and serve in our government, and I have never regretted having done so. But I have always treasured the five years I spent here in the United States, because I learned—and I felt— what it was to be a part of a great country.

I left America with the resolve that someday, God willing, I would do whatever I could—however modestly—to help my own country and people achieve their own greatness, on their own terms.

Today, that opportunity has come—and that responsibility has fallen squarely on my shoulders.

I have been President for a little over sixteen months. Within that time, I trust that I have already begun to redeem my pledge “to win the future” for our people.

We began by seeking reconciliation and unity with our disaffected countrymen—the Communist insurgents, the military rebels and the Moro National Liberation Front. Since then some 15,000 of them have crossed over the bridges of peace we have built, back into civil and productive society.

Today you will find that many of the brave idealists of the martial law period—of whatever persuasion—have found new purpose in helping to make the Philippines grow.

We declared a total war on crime. And today the crime rate is declining dramatically. We are cleaning the police and the judiciary—as well as the entire bureaucracy—of crooks and misfits.

Our people deserve a government that works, and works for their benefit. True enough, sometimes overwhelming passion for debate is still very much alive in an atmosphere of freedom of choice and of speech. But this, it must be said, is the debate of the free—the very spirit of our democracy. What we must do now is to invest that spirit with material substance.

Unless our people are well provided for and empowered to take charge of their own lives, no democracy can last long, and freedom will be meaningless.

### **A wellspring of pride**

We may be far from the Philippines today, and some of you have been here for many, many years. But I am sure that no day passes without your thinking of home—your first home.

You have come here to the United States for many reasons. I understand and respect those reasons, and indeed I admire the strength of spirit and the will to succeed that any Filipino immigrant or expatriate must have, to be here at all.

Many of you have achieved great success and prominence in American society, and this, too, is a wellspring of pride for us back home.

But it may be good to remember that Filipinos in America have not always been so fortunate.

### **One man's experience**

More than sixty years ago a poor and unlettered province-mate of mine—from Binalonan, Pangasinan, which is next to my hometown of Asingan—arrived on a ship in Seattle.

Shortly upon arrival, he learned that he had been sold for five dollars to a labor contractor. He spent the next many years picking fruits, working in canneries and doing odd menial jobs just to survive.

But at the same time, he taught himself to be a better person. He read all the books he could in the public libraries. He discovered that he could write, and write well.

Soon his poems and stories appeared in the best American publications. His autobiographical novel, *America Is in the Heart*, sold more than a hundred thousand copies, and was translated worldwide.

But he never forgot to help his fellow Filipinos. He organized Filipino farm workers on the West Coast. He fought exploitation and racism. He fought for unity among his compatriots, and among other minorities.

Unfortunately when he died in 1956, also in Seattle, he was poor again, and sick, and few Filipinos back home had even heard his name.

But he had served his time—and the future—well. If life is so much better here for minority groups today, they owe a great part of that change to this man—Carlos Bulosan.

We may not remember Carlos Bulosan, but his ideals—and his struggles—have survived him.

Today we have a new generation of Filipino-Americans who tend to be much more highly educated and more affluent than the immigrants of Bulosan's time.

American society itself has grown not only in its ethnic diversity but also in its democratic substance.

While this country may be beset by formidable economic and social problems—as would surely beset any other country of its size and complexity—the American dream continues to be pursued—most intensely, by its newest citizens.

We would not deny you that dream. We wish you all the best in your aspirations. Your success is ours also. And we in the Philippines are proud of your collective achievements.

### **The Filipino dream**

But remember that we, too, have our Filipino dream back home. We dream of a progressive and prosperous Philippines where every Filipino has enough to eat, a good and stable job, decent shelter and every opportunity to lead a long and productive life.

My vision of “Philippines 2000” should put that dream within reach by the turn of the century. We will exert every effort to ensure its attainment. It will take much discipline, hard work and self-sacrifice. Those of you who have succeeded here in America know what that means. And if you can do it here, there is no reason why we cannot do it back home. *Kung kaya ninyo, kakayanin din namin!*

But we need your help. We need the help of every Filipino, at home or abroad, to whom the word *inangbayan*, or motherland, means more than a postcard picture.

Share our dream, and be a part of it. See what you can do to build new bridges of friendship, and of business, and cultural cooperation between America and the Philippines.

Our relationship with the United States has entered a new phase. It has matured, as it should, into the understanding of old friends and sovereign partners. I believe that, where you are and whatever you do, you can help that understanding along. And we can begin by achieving unity among ourselves—to show others and our fellow Filipinos that we share the same lofty ideals as much as we share the same blood.

There are now more than two million Filipino-Americans here in the United States. This makes you the second-largest group of Asian-Americans, after the Chinese.

But your numbers are growing at the fastest rate, so much so that by the year 2000, yours will likely be the largest Asian-American community.

### **A positive power**

These numbers by themselves imply tremendous political, economic and cultural power—a positive power that could be put to use to benefit our people here and at home.

But we have failed to realize this power, because of traditional, provincial and parochial divisions among ourselves.

Those of you here in the Bay Area know this to be profoundly and sadly true.

I am told, for example, that there are more than 3,000 Filipino-American organizations all over the United States. That is well and good—if those 3,000 organizations establish strong and viable linkages toward the definition and promotion of American—and Philippine—interests.

We can continue to celebrate our regional diversity. But here, as at home, we cannot hope to succeed as a people if we cannot think beyond being natives of provinces and towns.

As Gloria Ochoa, who was the Democratic Party candidate for Congress in Santa Barbara County, observed:

“Filipino-Americans have become a powerful group, without their realizing it. They form the backbone of America’s health-care system; they teach America’s children; they are scientists and researchers in the universities; they are artists and musicians of note; they are protectors of civil rights; they are historians and writers. But they are the last to be their own advocates.”

We must learn to put our past and petty divisions behind us, and focus on those more significant values and aspirations that unite and dignify us as a people.

The Ilocanos have a saying we can all profit from: *Ornus ken panagtutulong isu ti tulbek ti gundaoay*. (Unity and cooperation are the key to opportunity.)

Or, as the Tagalogs say, “*Nasa pagkakaisa ang lakas*,” and the Hiligaynon, “*Ang kusog ara sa pagbinuligay*.”

If we can achieve strength through unity, then all good things will indeed be possible for all of us in this land of opportunity.

*Source:* **Presidential Museum and Library**

Ramos, F. V. (1994). *Time for takeoff : the Philippines is ready for competitive performance in the Asia-Pacific*. [Manila] : Friends of Steady Eddie.



**Speech of President Ramos at the World Affairs Council, Asia Foundation and Commonwealth Club  
luncheon Speech  
of  
His Excellency Fidel V. Ramos  
President of the Philippines  
At the World Affairs Council, Asia Foundation and Commonwealth Club luncheon**

[Delivered in San Francisco, California, U.S.A., November 10, 1993]

**A** **global** **alliance**  
**for democracy**

IT TOOK US 12 hours to cross the Pacific and touch land in the dynamic city of San Francisco and this great state of California. But we Filipinos have a saying that no journey is hard when one arrives to a warm and friendly welcome.

I should thank you twice for the privilege of this forum: first, for receiving me; and second, for getting together for this meeting with me. When these three formidable organizations—the World Affairs Council, the Asia Foundation and the Commonwealth Club—join together in one forum, it has to be for a very good reason. For this, I am deeply grateful.

**“Halfhearted imperialism”**

People here generally date the connection between our two countries—6,000 miles apart—from the western expansion of the American republic. The same pioneer spirit that settled California in the 1850s colonized our archipelago—50-odd years later—in what Barbara Tuchman termed a “halfhearted imperialism.”

From San Francisco’s Presidio sailed the volunteer regiments who fought in America’s only colonial war. From here too embarked the Thomasite teachers who gave my country mass education in English.

We Filipinos like to remember an earlier time, when the tides of history flowed the other way.

For 250 years—from 1565 until 1815—the Manila-Acapulco galleons—after Pacific crossings sometimes lasting seven months—made their landfall on the California coast.

The voyagers’ need for way-stations after the arduous crossing compelled the early Spaniards to settle the California coast—founding seaports from Santa Barbara and San Diego to as far north as San Francisco and Monterey.

Today the countries rimming this great ocean make up the world’s fastest-growing region.

So vigorous is the trade across the Pacific that it has surpassed the trade across the Atlantic.

America is an integral part of the region—as the coming Asia-Pacific Economic Cooperation meeting in Seattle dramatizes.

**The promise of the Pacific**

This early, the next hundred years have been tagged the Asia-Pacific Century. Over that period, the countries of the Pacific Basin, taken together, may well become—in the Japanese Saburo Okita’s words—“the driving force for dynamism in the world economy.”

This promise of the Pacific depends on America's keeping to its role—as the heart of an open trading region spanning three continents, as the fulcrum in the regional balance of power, and as the guarantor of regional stability against the ambitions of any adventurist power.

The end of the Cold War has again ignited America's recurring debate between isolationists and internationalists over the objectives and methods of U.S. foreign policy.

Those who urge Washington to bring home the “American boys and girls” still deployed in 20 countries worldwide—from Macedonia to Haiti and Somalia—invoke an argument with tremendous emotional appeal.

But isolationism for America is no longer a practical option.

Geography, history and the linkages of the international economy all compel your country to maintain global interests.

As Ambassador Madeleine Albright, your permanent representative to the United Nations, has pointed out:

“Whether measured in arms proliferation, refugees on our shores, the destabilization of allies, or loss of exports, jobs or investments, the cost of runaway regional conflicts sooner or later comes home to America.”

But beyond this practical consideration, we in East Asia continue to trust in the unique sense of mission which we know is part of the idea of America.

Its founding fathers saw America as a venture greater than just another national enterprise. They saw their country as bringing a revolutionary message to the rest of mankind.

“We are the heirs of all time,” wrote Herman Melville, “and with all nations we divide our inheritance.”

This inheritance America itself has not always spent wisely. But owing to their belief that America represents humanity's striving for a just social order, America's leaders have always had a spacious sense of American self-interest.

### **The sense of a shared destiny**

In the 1950s this sense of a destiny shared with other free peoples expressed itself in the Marshall Plan and the Berlin airlift; in the North Atlantic Treaty Organization, which was America's first “peacetime” military alliance; and in President Truman's Point Four Program.

America's leadership of the United Nations Expeditionary Forces in Korea—where, after finishing at West Point, I served as an infantry platoon leader in my country's 20th Battalion Combat Team—was also part of this unique sense of mission.

Since the need for cooperation among free nations is not over, the world's need for idealism in American foreign policy today is still as great as it has been these past 40 years.

In fact, the end of the Cold War offers the world community an opportunity not only to remove the threat of force from international relations but also to achieve unprecedented prosperity in a democratic free-market system.

But this opportunity our world cannot seize without a unifying vision and the will to achieve it.

We look to America to supply that vision—and that will—to a global alliance for democracy.

What world role do we in East Asia see for America?

If it is no longer the policeman of the world—the lone western marshal of *High Noon*—America can still be the world community's leader in deterring or stemming clear-cut cases of aggression or threats.

### **A concert of powers**

We believe America must become the motive force of a concert of powers dedicated to keeping the peace in the world through multilateral action.

Such a central coalition is now feasible for three basic reasons:

First, although mankind has not quite reached the peak of its ideological evolution—the end of history Francis Fukuyama imagines—the great powers now certainly share a high degree of ideological agreement.

Second, the world community shares an ever larger area of economic uniformity. The effectiveness of open economies— free markets, unimpeded trade and investment flow—has been convincingly demonstrated, most notably in East Asia.

The third and most important reason is that the powers now know war among them has become unthinkable—because such a war is bound to result in mutually assured destruction.

This new concert of powers would have more than enough to do in our disorderly world.

As the stability enforced by the Cold War breaks down and repressive regimes collapse, ordinary people are reasserting their local identities against the homogenizing influences of the international culture.

All over the world, this modem tribalism generates religious and ethnic quarrels, as well as secession and irredentism.

Nor has the specter of nuclear proliferation been exorcised. Right now 10 countries have nuclear weapons. By the year 2000 their number could reach 21.

Ideally this central coalition should be housed in the U.N. Security Council—from where it can assert the moral authority of the world community.

### **Poverty and inequality among nations**

Beyond fighting limited brushfires, America must lead its global alliance in easing poverty and inequality among nations.

Democracy believes there are extraordinary possibilities in ordinary people.

But in many parts of the world, mass poverty closes off even that possibility. In Africa alone—according to Oxfam— some 20 million people are poised on the knife edge between life and death.

My own country counts itself relatively well-off. But even among us one out of five Filipinos lives on an individual income equivalent to less than one U.S. dollar a day.

This is why we are determined to modernize our economy— so that it can lift up the lives of ordinary Filipinos.

Political radicalism is another by-product of underdevelopment, and its root cause may be frustration with the inequities of the international economy.

We cannot deny inequality among nations is still growing.

Left to itself, the international economy develops mechanisms of privilege—just as we know national societies do—which lock in the poor countries to their relative deprivation.

Our collective concept of social justice must make the leap from the individual in the national community to the individual poor country in the family of nations.

I believe a basic change is developing in the world. The change I see is that resort to force in international relations is less and less necessary.

Mutual security and regional stability more and more depend not on arms or military alliances, but on interdependent and mutually progressive economies.

Our globe is no longer a world of strategic sea-lanes and chokepoints.

Command of the sea is no longer necessary to acquire and preserve “foreign markets” and “raw-material sources,” as it was during the age of imperialism.

A truly global market has risen; its complex linkages are speeded up by the new communications and information technology. And it is founded not on force but on mutual benefit.

### **The dangers we also share**

We can no longer equate nationalism with central planning in a closed economy. For nationalism to flourish, it must respond to the demands of globalism.

Besides mutual benefit, however, shared dangers also compel our cooperation.

Traditional concepts of national sovereignty can no longer cope with the flow across frontiers of environmental hazards, aids and other epidemics, dangerous drugs, terrorist weapons, illegal immigrants and criminal bands.

No single state—not even the American superpower—can cope with these nonmilitary threats by itself. We shall need to agree on new rules and new institutions to deal with them.

In the countries of the Pacific Rim, our goal must ultimately be a community of Asia-Pacific nations.

The linkages among our countries are growing organically—out of geographic and economic complementarities—out of mutual advantage—in a word, out of pure market forces—and *not* anymore purely out of the formal decisions of governments.

We are correct in beginning modestly in Asia and the Pacific—with practical modes of cooperation that build up mutual reassurance even as we thresh out specific disputes and conflicts.

Already we have brought China, Russia and Vietnam into an informal security forum under the auspices of the ASEAN postministerial conference.

Our concept of common security is to seek security with other countries and not *against* them—to build mutual confidence, not mutual deterrence.

To complete this cycle of reassurance, we need America's engagement in East Asia. We need the United States to help us build a political framework that encourages enlightened self-interest—but allows no power to dominate the region.

Beyond that, we expect America to throw its weight to propagate democracy, to ensure that democracy blooms in our portion of the world—and grows into full flower.

### **Be true to your spirit**

During the Cold War, America was sometimes accused of a cynical willingness to sacrifice democracy abroad to preserve democracy at home. Now, at last, America can reconcile power and morality in its foreign relations.

America can be to the world what its founders meant it to be—the ultimate refuge of all those “yearning to breathe free.”

Throughout its time on earth, mankind has been striving for the ideal society. This ideal may remain forever beyond our grasp.

“But,” as Barbara Tuchman wrote, “if the great question— whether it is still possible to reconcile democracy with social order and individual liberty—is to find a positive answer, it will be here in America.”

If I have any single message for this great country—and everyone involved in your organizations, which take a keen interest in Asia—it would be this:

America, always be true to your spirit—for in being true to your values and ideals, you also serve your own highest self-interest, and of those in the world who wish you well.

*Source:* **Presidential Museum and Library**

Ramos, F. V. (1994). *Time for takeoff : the Philippines is ready for competitive performance in the Asia-Pacific*. [Manila] : Friends of Steady Eddie.

**NATIONAL GOVERNMENT PORTAL – EDITED AT THE OFFICE OF THE PRESIDENT OF THE  
PHILIPPINES UNDER COMMONWEALTH ACT NO. 638**

**Speech of President Ramos upon the Acceptance of the University of Illinois Presidential Medal for  
Outstanding Achievement**

**Speech  
of  
His Excellency Fidel V. Ramos  
President of the Philippines  
Upon the Acceptance of the University of Illinois Presidential Medal for Outstanding Achievement**

[Delivered in Chicago, Illinois, U.S.A., November 11, 1993]

**Battlefields of the future**

I AM deeply moved and grateful for this high honor that the University of Illinois confers upon me. This medal for achievement has great personal meaning for me because it was my special privilege and good luck to study and learn in this great university as a Philippine Government scholar. To stand here today, four decades after that wonderful time in my youth, two semesters and one summer spent in the heart of America in search of a master's degree in civil engineering, is to recapture many happy memories—of the Urbana-Champaign campus of this university, of the many friends who made my stay productive and joyful, and of the many mentors and professors who helped me through my studies.

**The transcendent meaning**

But this medal also has transcendent meaning. In honoring me, you also honor the achievements and contributions of all Filipino-Americans in America, as well as the achievements of the Philippines and my countrymen who have built a living democracy and a society of learning in our part of the world. For we have an active Big Ten Alumni Association in my country that includes hundreds of high achievers in Government, in science and technology, in industry, in agriculture, in academe and in other professions.

We usually think of our world in terms of nations. But in the world of knowledge, there are no frontiers and no nationalities. A premier university like the University of Illinois forms an important part of the vast international community of academic excellence and scholarship, in which all seekers of knowledge are members.

Without this community of learning, we would find it difficult to find the threads of common interest and values that unite the peoples of the world, and our nations would be hard-pressed to achieve the heights of knowledge that alone can enable them to win the future.

Today, we live in a time of high excitement and hope. The world we knew as students is fading away, and a new one looms on the horizon. To make this new world of the coming millennium on the image of our dreams, we must turn again to the best within ourselves. And the best, often than not, has come first and foremost from our institutions of learning.

We worry a lot these days about the shortage of money for our undertakings. Yet, in truth, we must worry about the shortage of human talent which, if left unfilled, means lost opportunities.

In both rich and poor nations—in the First, Second and Third Worlds—the story is the same. Our lives change for the better to the extent that our universities, laboratories and think tanks discover new knowledge and renew the old, and to the extent that all are able to share in the fruits of modern civilization.

### **A new phase in Philippine-U.S. relations**

Among the important reasons for my visits to major American cities is to tell American business and financial leaders about the promising developments now under way in the Philippines. With an enhanced democracy and an economy poised for takeoff, the Philippines now offers major opportunities for American companies and investors, and is potentially a growth center for Asia and the Pacific, which is the fastest-growing region in the world.

I am confident the Philippines and the United States will always have what might be called a special relationship. We share nearly one hundred years of history. This creates unique bonds between our two countries and peoples.

But we need to look to the future. The principal foundation for our future relationship has shifted to our common economic concerns—trade, investment and technology transfer. The United States recognizes that its own prosperity is tied to the continued growth of Asian economies, and we Filipinos are determined to be part of the Asian economic miracle. For America, the Philippines can be a steppingstone into Asia.

### **The new battlefields**

Through our membership of ASEAN and our geographic proximity and close cultural ties to China, Hong Kong, Taiwan and other Asian countries, we offer American investors a natural foothold in the region, as well as access to our own growing markets.

The main struggles of this decade and beyond will be fought against poverty, environmental degradation, overpopulation, oppression and injustice—and the primary instruments will no longer be the arms of war but diplomacy, free enterprise, science and technology and democratic values. The new battlefields will be on academic campuses, in corporate boardrooms, on the farms and in factories, which must be harmonized to create a brighter quality of life for all mankind.

In all these, universities like Illinois will likely be in the forefront of the effort.

I thank you from the fullness of my heart, and may the good Lord bless the University of Illinois community always.

*Source:* **Presidential Museum and Library**

Ramos, F. V. (1994). *Time for takeoff : the Philippines is ready for competitive performance in the Asia-Pacific*. [Manila] : Friends of Steady Eddie.

**NATIONAL GOVERNMENT PORTAL – EDITED AT THE OFFICE OF THE PRESIDENT OF THE  
PHILIPPINES UNDER COMMONWEALTH ACT NO. 638**

**Speech of President Ramos at the United States Military Academy**

**Speech  
of  
His Excellency Fidel V. Ramos  
President of the Philippines  
At the U.S. Military Academy**

[Delivered in West Point, New York, November 12, 1993]

**West  
in the Philippines**

**Point's**

**role**

I CAME to West Point forty-seven years ago with a feeling of great awe.

Today that feeling has not changed.

There are also other things that have not changed, I am told. Cadets still wear the dress gray with snap-on collar and cuffs. Cadets still walk the "Area." Plebe boxing is as bloody as ever. Plebes still cut the cakes and perhaps even use a template once in a while.

I was always intimidated by the logic of my upperclassmen who used to say to us plebes, "How can you lead men in combat if you cannot cut a cake in equal proportions?" Very frankly, to this day, I still have not understood the wisdom behind that statement.

I am proud that the cadets' and alumni's commitment to duty, honor, country has not changed either.

**Philippine-U.S. relations**

As a foreign graduate, I drew from West Point the values of duty, honor, country, and also much of my commitment to the ideals of democracy and freedom.

In this context, my visit to our alma mater today is more than a sentimental journey; mine is also a journey to reinvigorate the bilateral relations between the Philippines and the United States.

I am not, by the way, the first Filipino graduate of West Point. That honor belongs to General Vicente Lim, Class of 1914, who became a division commander in the Philippine Army and was executed by the enemy during World War II. (His son, Vicente Lim Jr., Class of 1944, is with my party today.)

There were 19 Filipino West Point graduates who fought side by side with the Americans in World War II. When that war broke out, 267 American West Point graduates—drawn from 39 classes—were on active duty in the Philippines. Nearly two-thirds of them—173 to be exact—perished there.

One million Filipinos died during World War II either as combatants of the U.S. Army Forces in the Far East (USAFFE), as guerrilla resistance fighters during the three-year Occupation, or as innocent bystanders in a war whose proximate cause my people did not even understand.

**"I shall return"**



The most prominent West Pointer who served in the Philippines was General Douglas MacArthur, Class of 1903, who helped organize and train the Philippine Army in 1935, fought the defense of the Philippines on Bataan and Corregidor in 1942, escaped to Australia and led the liberation of the Philippines in 1945, fulfilling his pledge of “I shall return.” (His father, General Arthur MacArthur, was the first Military Governor of Manila in 1898, and later became the first Military Governor of the Philippines in 1900.)

During his early days in the Philippines, Douglas MacArthur was assisted by another famous alumnus, then-Major Dwight Eisenhower.

I bring up these facts of “ancient history” to remind you that the relationship between the Philippines and the United States is a long one—and that West Point alumni have played a prominent role in that relationship.

West Point’s role in the Philippines 95 Philippine Constabulary Academy in 1905, was established by West Pointers and patterned after West Point. The Philippine Military Academy has a similar curriculum, uniforms, fourth-class system and honor code.

It may interest you to know that one of your fourth-class cadets currently here from the Philippines, Cadet Eugene Cabusao, has had to suffer two cycles of beast barracks, as he spent beast barracks in the Philippine Military Academy before coming here. How lucky can one get?

Even after the Philippines became independent, the close relationship between the two countries and their defense forces continued. Filipinos, including myself, fought under the Philippine flag on the same side as the Americans in two Asian conflicts—Korea and Vietnam.

### **Shoulder-to-shoulder**

Both our countries remain bound by a mutual defense treaty that dates back to 1951. This Philippine-United States treaty continues to be in effect up to now under a Council of Ministers at the political level and a Mutual Defense Board headed by the Chief of Staff of the Armed Forces of the Philippines and the Commander in Chief, Pacific (CINCPAC).

This week, our two armed forces are undertaking joint training exercises at Fort Magsaysay on Luzon to test and enhance the interoperability of U.S. and Philippine units, the twelfth in a series of *Balikatan* (Shoulder-to-shoulder) maneuvers held annually.

Many eminent Filipino leaders have urged that the United States and the Philippines forge a new framework for Philippine-American relations away “from the stultifying atmosphere of the bases issue.” I subscribe to that view and champion it strongly.

As one contemplates the horizon of Philippine-American relations, three compelling facts instantly come to one’s mind: First, our two countries have a continuing community of strategic and economic interests. Second, the United States remains our biggest and most profitable market. And third, the United States remains the undisputed leader of the Free World.

These central realities transcend fluctuations in the political and psychological climate of Philippine-American relations. They constitute invariable constants in our bilateral affairs—which either country can ill afford to subordinate to transient considerations and short-term exigencies.

Let me assure you that the Filipino nation continues to maintain a deep reservoir of good will toward the American people. We continue to consider you our special friends.

I speak of a relationship between two sovereign nations that is built on mutual respect and mutual support, and, for this reason, is mutually rewarding, enriching and beneficial.

There are today two million Americans who consider the United States their homeland and the Philippines their motherland. Representative of this growing group is Cadet 1st Class Antonio de Guia Jr., a proud American citizen, born of Filipino parents.

### **No retreat to isolationism**

We in the Philippines have our own vision. We seek to achieve the status of a newly industrialized country by the turn of the century. To this end, we must forge economic and political ties with our world neighbors—and, given our history, we Filipinos find it natural to look at the United States as a major partner in this effort.

Some people say today's America is far from being the colossus that bestrode the globe after World War II. These somber souls see America as sadly diminished in spirit—as so anxious about its fall from pre-eminence in the world that it feels neither generosity nor responsibility for the miseries of other peoples.

We in Asia and the Pacific have a more optimistic view of America—and greater expectations from it. We know that for America there can no retreat to isolationism.

The bonds of the world economy and the communications revolution are linking all our countries together—irrevocably.

But, beyond that, we continue to trust in the unique sense of mission that we know is at the heart of America.

As Barbara Tuchman has noted, America did not evolve slowly out of an ancient past.

“America, she wrote, “is a nation consciously conceived. . . a planned idea of democracy, of liberty, of conscience, and of the pursuit of happiness.”

Its founders saw America as a venture greater than just another national enterprise. They saw their country as bringing a revolutionary message to the rest of mankind.

### **MacArthur's peacetime achievement**

Surely, it would be useful to recall at this juncture MacArthur's genius as a world statesman and leader of men. We should admire him equally, if not more, for his rehabilitation of postwar Japan. Today, Japan is not only a peaceful nation that has rejected war as an instrument of national policy. It is also a great economic power committed to democratic ideals. General MacArthur's enlightened governance of Japan may be regarded as a major factor that triggered the remarkable development in later years of the Asia-Pacific Basin.

MacArthur's singular impact on Japan and on the entire Asia-Pacific region is embodied in the manner by which he brought about these basic changes. While he enjoyed far-reaching powers, he did not resort to force. He respected the sensitivities of the Japanese people. He worked through Japan's leaders. He did not violate their culture.

MacArthur himself said that he had to be “an economist, a political scientist, an engineer, a manufacturing executive, a teacher, even a theologian of sorts.”

On another occasion, he said, “SCAP [Supreme Commander for the Allied Powers] is not concerned with how to keep Japan down, but how to get her on her feet again. . . . We shall not do for them what they can do for themselves.

MacArthur inspired his own subordinates to adopt his attitude. As one of these subordinates put it, “We must restore security, dignity, and self-respect to a warrior nation which has suffered an annihilating defeat.”

In a sense, West Point did not teach General MacArthur how to change a nation. As William Manchester, his biographer, put it, “All West Point had given him was a lodestar, the Academy motto: “Duty, honor, country.”

### **Bedrock of principles**

But, according to Manchester, “in an age of pragmatic politicians, the General sought a foothold on the bedrock of principles.”

“To him,” Frazier Hunt wrote, “issues automatically became moral issues, his decisions resting on the simple test of what is right and what is wrong . . . the ancient verities still remained the basis of the great decisions that MacArthur made.”

Obviously, most of us do not have MacArthur’s flair for the dramatic. The most we can do is to follow the same lodestar of duty, honor, country that guided him and other eminent graduates—and to emulate his breadth of vision and personal courage that enabled him to inspire so many people.

In a much large sense, we must recognize that any viable relationship with any other nation on earth must be based on our commitment to duty, honor, country—and the conduct and performance implied by this commitment. It will not always be easy to ascertain what this commitment demands, but we must always do our best to find it out.

The lessons here are clear. Amid diversities and clash of cultures, there will always be effective ways to introduce, nurture and strengthen democracy and to establish lasting relationships.

Let us look at General MacArthur as a model of the soldier-statesman, deeply committed to democratic ideals; magnanimous in victory; totally committed to service; with a sense of justice and fair play; and sensitive to the dreams and aspirations of a whole nation and a vast community of nations in the Asia-Pacific Basin.

### **The new battlefields**

As you pursue your military careers, there will be continuing challenges that will demand that you use your capabilities to the fullest. The wars you may have to fight could involve poverty, hunger, disease, calamities and oppression. You should be ready to be soldiers of peace, to be nation-builders, to be catalysts of understanding and good will among peoples and among nations.

The starting point for such readiness is our commitment to duty, honor, country.

To the Superintendent Lieutenant General Howard D. Graves; the commandant of cadets, Brigadier General Robert F. Foley; the dean of the academic board, Brigadier General Gerald E. Galloway Jr. and the staff here at West Point, I commend and congratulate you for the tremendous work you have done to ensure that West Point remains a center of excellence. You continue to mold leaders in the best traditions of those who have come before you. For these efforts, I salute you. From an appreciative graduate, I say “carry on!”

To the corps of cadets . . . thank you so much for giving me the honor and privilege of addressing you today.

And last, but certainly not the least—as a visiting head of state and as a typical plebe who served punishment tours hauling rocks from the golf course then under construction, I hereby grant amnesty to the corps of cadets.

*Source:* **Presidential Museum and Library**

Ramos, F. V. (1994). *Time for takeoff : the Philippines is ready for competitive performance in the Asia-Pacific*. [Manila] : Friends of Steady Eddie.



**NATIONAL GOVERNMENT PORTAL – EDITED AT THE OFFICE OF THE PRESIDENT OF THE  
PHILIPPINES UNDER COMMONWEALTH ACT NO. 638**

**Speech of President Ramos before the Philippine-American Chambers of Commerce, Asia Society, Carnegie Council and United States – Republic of the Philippines Business Committee**

**Speech  
of  
His Excellency Fidel V. Ramos  
President of the Philippines  
Before the Philippine-American Chambers of Commerce, Asia Society, Carnegie Council and US-RP  
Business Committee**

[Delivered in New York, New York, November 15, 1993]

**The Philippines is back**

THIS IS the third visit, in just seven years, that a Filipino President is making to America, so many of you have the right to wonder whether there is anything new that I can tell you about the Philippines.

Today I can report to you much more. I can speak here of a country back on its feet and of a people on the move. And since you are businessmen who have an abiding interest in economic prospects in our part of the world, I will urge you to put the Philippines back on your map—if before, you despaired and scratched us out.

**A nation on the move**

Were this merely my personal verdict, you would no doubt regard it as only to be expected from the No. 1 salesman of the Philippines. But it has also been said by others.

Analyzing our situation last April, the World Bank noted: “The Philippines now faces its best prospect for sustained development in almost two decades.”

The chairman of the Keidanren in Japan, Mr. Gaishi Hiraiwa, described it this way: “The Philippines is ready to leave the hospital and start jogging.”

Nothing in this suggests a major economic miracle. But considering how often our opportunities were squandered in the past, the change is significant. And considering how our people are now pulling together to meet the challenge of development, we are right to be upbeat about our national prospects today.

Already the major economic indicators point to a sustained economic recovery.

After an economic slowdown, engendered by a power shortage in the first semester, we witnessed during the second quarter a rise of 3.5 percent in the GNP.

Inflation is down to seven percent from 24 percent three years ago. Interest rates are at 11 percent, or about one-half their levels in 1991. The exchange rate is stable and is at a level that spurs exports. Gross international reserves were at an all-time high of \$6.7 billion early this year.

Last year a restructuring package with commercial banks put to rest our problem with commercial debt. This year we re-entered the international capital market. Our initial bond issues were oversubscribed, confirming our credit-worthiness and international confidence in our future.

## **Year-long bull run**

Our stock market is in the midst of a year-long bull run that has been adjudged among the strongest in the world. The market index has nearly doubled since January.

Foreign investments are on an uptrend. From January to September this year, \$787 million in equity investments has been registered. Of this, 30 percent is from America and Japan.

In our expanding international trade, exports totaled \$7.1 billion from January to August this year, while imports totaled \$11 billion during the same period. The trade balance is still unfavorable, but we are looking at better years ahead, now that our industries are recovering their capacity and new ones are rising.

Some of you will wonder whether these are merely the signs of the same boom-and-bust cycle that has characterized our economy in the past. I believe it is self-sustaining because it is anchored on a comprehensive program of reform.

My Administration has adopted a five-point program of priorities that reflects our people's foremost concerns—political stability, effective government, economic growth, social justice and environmental protection.

Political stability is paramount, because Philippine development has often been held hostage to political chaos and armed challenges to the Government. Today I can tell you that our democracy has never been more stable than it is now. My 16-month-old Presidency is living proof of our working democracy.

## **The other side of political stability**

We are turning a corner in negotiating an honorable peace in the many conflicts that once imperilled our republic. Crime is on the wane as police services have been improved and strengthened by citizen action.

The other side of political stability is the progress we are making in establishing effective, democratic government. We are proving that our attachment to democratic institutions is no hindrance to effective government and economic modernization.

The Government is achieving more throughout the country by decentralizing the tasks of administration and giving our local communities more control over their affairs.

And it is spurring the economy by breaking up the old regime of monopolies and cartels, regulation and controls which are injurious to public interest.

We have set free the spirit of enterprise through a massive program of deregulation and privatization.

We have fully liberalized foreign-exchange transactions in the country and are fast eliminating the old policy of protecting our inefficient industries.

And, perhaps most interesting to most of you, we have passed a new foreign investment law that opens our economy further to foreign capital and liberalizes foreign participation in our economic development.

These are not mere policies on paper, but programs being rigorously carried out.

Neither are they scattered initiatives designed merely to show that my Government is doing something. They constitute a coherent program and strategy for national development.

The development plan we have adopted envisions a newly industrializing economy by the turn of the century.

## **Development targets**

The plan has four major targets during my term 1993-98:

First, raising per-capita gross domestic product from U.S. \$800-plus today to US\$1,000 in 1998. Second, keeping inflation down to single-digit levels during the plan period. Third, elevating more than 70 percent of the Philippine population above the poverty line. And fourth, generating sustainable growth of investments and of exports of goods and services.

We project exports of goods and services to grow by an average of 15 percent annually during the plan period. We will diversify our manufactured exports to eliminate over-reliance on a few markets and products.

While we promote Philippine exports aggressively, we do not forget that we have a huge internal market of 65 million people.

Our people are our most productive and competitive resource. That is why the plan invests heavily in their training and their welfare. Our human resources development program is designed to make our highly literate and adaptable workforce second to none in the region. You do not need an interpreter to do business in the Philippines.

But we can certainly use a little help from our friends—of whom most Filipinos consider America to be first and best.

Our bilateral trade has expanded even more in recent years, from a total volume of only \$2.5 billion in 1987 to \$6.4 billion last year, exceeding all others. From January to August this year, Philippine exports to the U.S. have reached \$2.7 billion, and our imports from you, \$1.9 billion. We expect to surpass this year the levels of last year: \$3.8 billion in exports and \$2.6 billion in imports.

American investments in the Philippines are formidable. They are to be found in practically all aspects of economic life—in manufacturing, mining, power generation, oil exploration and refining, communications, banking, food processing, pharmaceuticals, insurance—you name it, American capital is there.

And it bears pointing out that these investments in my country have been fully profitable for American business over the years.

The examples are many. Citibank Manila is the most profitable Citibank branch in the world. Coca-Cola's bottling plant just south of Manila is the company's biggest in the world. Occidental Petroleum and Shell International are developing one of the largest oil and gas finds in Asia during the decade.

## **RP-US partnership**

Though our economic relations are impressive, we can still do better. Certainly we must move—together—to expand our relationship and locate it on the higher ground of real partnership. The time when our relationship was founded on aid, on military bases and on American benevolence is over.

We should move to transform it now into one of mutual advantage, of complementarity—in trade, in investments, in technology, in human resources, in regional security.

Among our country's prime investment sites today is Subic Bay. Where a major arsenal of the Free World once stood, there stands today a free port and economic zone, with the same magnificent harbor and airport. And it is rising on the strength of investments being made by investors from other lands, including Americans. The former Clark Air Base area is also being developed as a growth area for civilian use.

These two will stand as lasting monuments to our historic relationship. Out of these perimeters of freedom there will rise from our joint efforts a new economic bastion of partnership and cooperation.

It was your thirtieth President, Mr. Calvin Coolidge, who memorably remarked that “the business of America is business.” By that, I presume he meant to emphasize the no-nonsense pragmatism that built the biggest economy in the world.

Yet significantly, that was not the whole of what President Coolidge said. If I remember correctly, he also went on to say: “And the chief ideal of the American people is idealism.”

### **Business and idealism**

In America’s historic commerce and contact with the world, there has always been a mixture of both—of pragmatism and idealism, of the search for both profit and honor. And this has marked the actions of both your government and your business community.

If American government has worked—at the expense of its treasury and the blood of its youth—to build peace and democracy in many parts of the world, so have you in American business helped to build progress and a better life in many countries.

In the new world that is coming to be—in the challenge of development in our time—the same opportunities are again at hand.

Today, when the multinational company has ceased to be the bogeyman of economic nationalists, when a truly global market has arisen, I think it unlikely that American business will retreat toward home.

Rather, it will seek to create linkages, alliances, joint ventures, partnerships and growth triangles with its counterparts in other lands, striving to build the future with them.

You have, if you choose, a historic role to play in what we are building in the Philippines today. You can participate in the determined effort of a staunch ally and friend to catch up and modernize during this final decade of the century.

*Source:* **Presidential Museum and Library**

Ramos, F. V. (1994). *Time for takeoff : the Philippines is ready for competitive performance in the Asia-Pacific*. [Manila] : Friends of Steady Eddie.



**Speech of President Ramos during the Greater Houston Partnership Luncheon Speech  
of  
His Excellency Fidel V. Ramos  
President of the Philippines  
During the Greater Houston Partnership Luncheon**

[Delivered in Houston, Texas, U.S.A., November 18, 1993]

**We are partners and friends**

FOR THE PAST nine years, we have been traveling through America—from city to city—and everywhere we have gone, we have been received with great hospitality and kindness. This is especially true in Texas.

Of Houston, it has been cheerily observed by one of your own—the late Marvin Hurley—that it was built in “the most inhospitable place to start a city that anyone could have found”—a mosquito-infested, muddy tract of land on buffalo bayou.

Today, who remembers Houston as once a bayou town? Today, to talk of Houston is to speak of phenomenal growth and energy—of human energy, beef and oil energy. As a famous Texas publisher once put it—“growing, growing, growing—that is Houston.”

**Historical affinities**

And behind this growth is an unrivalled sense of enterprise, a pro-business attitude.

In coming here today, we seek your trade and investment. But we hope to learn even more from your experience and your dynamism.

In many ways, what we are facing today in the Philippines parallels what the American South also had to face in its journey to progress.

Just as you transformed a largely rural economy into a modern one, so must we transform our predominantly agricultural country into an industrialized one supported by modernized agriculture.

Fortunately, we are undertaking this effort at a time of great promise and growing cooperation in the Asia-Pacific—at a time when East meets West in the APEC leaders’ summit hosted by President Bill Clinton in Seattle.

A vital ingredient in this ferment of growth and cooperation has been the rapid rise of Asia’s economies, and Asia’s success in dousing the fires of regional conflicts and insurgencies.

In our time, economic interdependence binds separate nation-states together and reconciles even the most bitter enemies.

**Open regionalism**

Economic competition is not a zero-sum game in which one side wins what the other side loses. In economic competition, everybody wins, and even the relative loser ends up richer than when he started.

This upturn in Asian affairs is among the significant new realities in international life today.

A truly global market has risen, and it is founded not on force but on mutual benefit, AFTA in ASEAN and NAFTA in America are paving the way.

We in ASEAN have gotten together to achieve a kind of cohesion that would give our six countries that cultural variety, the talent pool, the economic weight, the technological resilience and the attractiveness to investors that we need to become a major player in the future world.

But we in ASEAN do not see the globe as divided into friends and foes. We do not see business competition as preventing economic cooperation. We believe in open regionalism.

Like ASEAN, the whole Asia-Pacific region has no reason to protect its economies by raising tariff walls and feeding hidden subsidies, because it need not fear competition.

At the same time, we are discovering in the Asia-Pacific community the remarkable fact that with economic growth, political liberalization and democracy usually follow.

The Philippines itself reclaimed its democracy in February 1986 by way of a peaceful, nonviolent people-power revolution after 14 years of authoritarian rule.

The many conflicts that once imperilled our republic have eased. Crime is on the wane. And we are moving decisively to forge with rebel groups a just and honorable peace that will last.

I will not waste your time by talking here about the historical ties and shaped ideals between our two countries. Though these are clearly important, they are not the factors on which businessmen act and venture. If the conditions back home are unattractive to investors, no amount of selling and sentiment can make a difference.

So the main message that I will stress is that the Philippines is back in business, in the heart of Asia and the Pacific, with a stable and functioning democracy—and it is time you took a fresh, second look.

### **A stable democracy**

Whatever you may have heard about our country in the past, prepare yourselves for the reality that conditions have dramatically changed during the past two years.

Just as the world marveled in 1986 when our people overthrew a 20-year dictatorship, so we commend to your attention our present efforts to develop our country.

First, let me say something about the stability and strength of Philippine democracy today—for this we learned in no small part from America.

In the past, risk analysts and investors were worried by the instability of government in our country, because of coup attempts, insurgency and crime.

Today—I can tell you in all truth and sincerity—our democracy has never been more stable than it is now. As an elected President by a national electorate of 31 million voters, I am living proof of free democratic elections in my country. I have served in government for 47 years, the first 42 as a career military officer. I took the long arduous route in entering the political scene by our constitutional process—not by a military short cut common in some Asian and Latin-American societies.

Some have wondered whether our development objectives are well served by the exuberance of our democracy. They look longingly at some of our East Asian neighbors, where modernizing authoritarian regimes have brought unprecedented growth.

Maybe that is so in their case. But in our case, we accept as given both the reality of our democracy and the commitment of the Filipino people to democratic ideals. Some 20 years ago, one of my predecessors played the authoritarian card—and the result was a disaster.

#### **Four D's of modernization**

National development does not lie in curtailing our democracy but in broadening it. The passage of the NAFTA bill by the U.S. House of Representatives yesterday is clear proof of the parallel sentiments of the American people in favor of a liberalized and more open economic system.

Development will come not with Government trying to do everything, but with Government harnessing the talents and energies of our private sector and citizenry.

The governments that have done the most for their people have been those that focused on essentials—and left the other tasks to private enterprise and community action.

This new strategy and outlook stand at the center of our national life today. We have pursued the four D's of modernization—devolution, decentralization, deregulation and democratization.

This vision is embodied in my Government's program of "Philippines 2000"—our national strategy for sustained development over the next six years and into the twenty-first century.

In politics we are devolving political authority from Metropolitan Manila to local governments, awarding control over local resources to local communities and nurturing local people's organizations.

In the bureaucracy we are making Government units and public officials more accountable. We subscribe to the principle that the public must get full value for its tax money.

#### **Economic reforms**

As we expected, political stability has enabled us to focus our attention and energies on reviving and reforming the national economy.

Our most recent reforms allow the wider participation of foreign investment in nearly every aspect of the economy. We have freed all foreign-exchange transactions and begun a five-year program of tariff reduction.

To level the field for business competition, we are dismantling monopolies and cartels which are injurious to consumer welfare. We are opening up the banking industry. We have moved decisively to lift or modify Government regulation of business, and to privatize Government corporate ventures.

Inflation is down to 7 percent from three times that rate four years ago. Interest rates have declined to 11 percent, or half their level in 1991. The Philippine peso-to-U.S. dollar exchange rate is stable and at a level that spurs exports. Gross international reserves are at an all-time high of about \$6.0 billion.

Last year a restructuring package with commercial banks put to rest our problem with commercial debt.

This year we re-entered the international capital market.

Our initial bond issues were oversubscribed, confirming our debt credit-worthiness and the confidence of the international community in our future.

Foreign investments are on an uptrend. From January to September this year, equity investments amounting to \$787 million have been registered. Of these, 30 percent are from American and Japanese investors.

In our stock market, we are in the midst of a year-long bull run that has been adjudged the strongest and the most consistent in our region. The market index has nearly doubled since January.

Our international trade continues to grow. Exports totaled \$7.1 billion from January to August this year, while imports totaled \$11 billion during the same period.

And, perhaps most interesting to you, we have passed a new foreign investment law and a build-operate-transfer law that open our economy to foreign capital and liberalize foreign participation in our economic development.

These are not just policies on paper, but programs being rigorously carried out. And there are now signs these policies are working.

### **Thinking globally**

This much, however, we can already say:

We Filipinos are prepared to account for ourselves—though we can certainly use all the help we can get from our friends in the world.

In the new world that is emerging from the Cold War, we see both good and evil omens. Superpower rivalry has eased, but multiple regional and local conflicts are emerging. Nations are one in seeking economic development, but the economic arena has also become more competitive.

These will test our nation's capacity both to compete and to cooperate in building a new world.

Fortunately for us, we share values and purposes with other countries that cut across national boundaries and make it possible for nations to progress together.

We see our relationship with the United States in this light.

There was a time when our relationship was one of dependence. Today, neither of us needs "special" ties based on special privilege. Our relationship can survive on the basis of partnership, mutual advantage and mutual support. And it will prosper thus in the new world of opportunity in the Asia-Pacific region.

The Philippines shares a community of interests with the United States, especially a common commitment to democracy and free enterprise.

The Philippines and the United States continue to be security allies under the Philippines-U.S. 1951 Mutual Defense Treaty.

Our special relationship is also anchored now on the growing political and economic power of Filipino-American communities.

There are now more than two million Filipino-Americans in this country who form a vital link between the Philippines and the United States.

### **Experience of investors**

These facts and numbers are the aggregates of what is happening in my country. Now let us look at specific examples of what is going on.

Several prime investment sites have been opened up, and significantly some of them are former baselands.

Subic Bay is now a special economic zone and free port and one of our brightest growth centers. It has its own international airport. So far it has completed 32 contracts and agreements with American and Asian investors, involving some \$350 million in long-term investments. Federal Express has just signed up to locate in Subic to establish its Asia-Pacific regional center.

We are now opening up Clark Air Base in Pampanga as the future international airport for Greater Manila and Central Luzon.

The other rising centers of economic activity are Baguio, Pangasinan, La Union and Batangas in Luzon; Cebu in the Visayas; and Davao, Cagayan de Oro and South Cotabato in Mindanao. In all of them, foreign investments are welcome and are already coming in. And some, like Cebu, are now major contributors to the gross domestic product.

Some of you will perhaps wonder: Is it profitable to do business in the Philippines? I will answer, yes. And you only have to ask your countrymen who are already doing business there.

Citibank Manila, for example, is the most profitable Citibank branch in the world.

The Coca-Cola bottling plant just south of Manila is the company's biggest in the world.

Occidental Petroleum and Shell International are developing one of the biggest oil and gas finds in Asia during this decade.

### **Comparative advantages**

There are many other corporate examples I can mention, but I think my point is clear. Doing business in the Philippines has its unique advantages. Many Asian investors know this. But I think our American friends, especially you from Texas, have always known this better than most.

The comparative advantages are there. Filipino manpower skills and expertise—ranging from those of manual workers to technical talents to professional managers—are among the best in Asia. Indeed, Filipino expatriates are believed to be a key to maintaining the business boom in other parts of the Asia-Pacific.

You will not need interpreters to do business in the Philippines. In addition, we have considerable natural resources to complement various industrial undertakings.

But we have had a habit of shooting ourselves in the foot in the past. Where we usually failed was on the Government end. When political instability was not ruining our economic prospects—such as shortly after February 1986 and again in 1989—we were erecting all kinds of barriers to business and neglecting the country's infrastructure. The power shortage that hobbled us last year and early this year is just an extreme instance of Government failure.

We are putting these costly experiences behind us and we are already correcting these shortcomings. The power shortage will be substantially solved by the end of this year. We are finally modernizing and opening up our telecommunications industry, and rebuilding and expanding our network of roads, ports, airports and other infrastructure.

In the past we could not do much of anything, because we were politically divided. Today we are better able to deal with the problems because Congress and the executive are working much more closely together. There is also a quiet confidence throughout the country in the national leadership, and our people are more cohesive socially.

**“Put the Philippines on the map of the U.S.”**

In his writings, President William McKinley relates how he agonized over whether to annex the Philippines and how he finally decided to go for it. “And then I went to bed,” he says, “and went to sleep, and slept soundly, and the next morning I sent for the chief engineer of the War Department and told him to put the Philippines on the map of the United States.”

In our minds, however, there is still a map in which the United States and the Philippines are fatefully joined—by history, joined by our alliance in war, joined by mutual concern for each other’s well-being and success.

This relationship survives because we acknowledge there are certain things we share, which time can never break.

We are not just nations with diplomatic ties. We are partners and we are friends. We fought together to uphold freedom and democracy on many battlefields—Bataan and Corregidor, Korea, Vietnam. In this spirit, let us explore together the world of opportunity between our shores.

Join us in the great adventure of developing the Philippines. Believe me, you will not regret it!

*Source:* **Presidential Museum and Library**

Ramos, F. V. (1994). *Time for takeoff : the Philippines is ready for competitive performance in the Asia-Pacific*. [Manila] : Friends of Steady Eddie.

## **Speech of President Ramos to the Center for Strategic and International Studies**

**Speech  
of  
His Excellency Fidel V. Ramos  
President of the Philippines  
To the Center for Strategic and International Studies**

[Delivered in Washington, D.C., U.S.A., November 22, 1993]

**Sharing** **in** **peace**  
**and growth**

THE PAST WEEK has been a historic time for America and the Asia-Pacific, and we meet today in the glow of its proud achievements: the meeting of leaders of the Asia-Pacific Economic Cooperation forum in Seattle and the approval of the North American Free Trade Agreement by the U.S. House of Representatives here in Washington, D.C.

As President Clinton has himself described it, this has been “a defining moment” for America—of its role in the world and its relations with other nations.

For us in Asia, this too has been a momentous week—a time of new hopes and undertakings.

### **Regional peace and security**

In years to come, it may well be that we will look upon the APEC meeting in Seattle as a turning point in relations between our sides of the Pacific. Yet before the high hopes raised by the meeting are realized, there is much work for us all to do.

Within your own organization—the Center for Strategic and International Studies—you have no doubt already begun to analyze and build scenarios on what is in store for the Asia-Pacific region.

I can hardly instruct you in the work of analysis, but perhaps I can tell you something about how we in Asia see these new opportunities rising in the Asia-Pacific, and the problems that we must face, particularly those concerning peace and security in the region.

Lady Margaret Thatcher likes to remind us all that we should not forget to mind the security store, for as she points out, when the Cold War ended it did not necessarily mean that peace had broken out.

She is right, of course. The end of the Cold War has not ended all threats to peace and stability. Superpower rivalry has vanished, but regional and local power rivalries are emerging. Ethnic and religious conflicts previously suppressed by the requirements of the East-West confrontation are erupting or dangerously building up pressures. And the threat of nuclear destruction still hangs over the regions of the world as nuclear disarmament falters and nuclear proliferation persists.

### **Economic interdependence**

Those of us who gathered in Seattle the other day would do well to give as much attention to the security, as we did to the economic underpinnings of the Asia-Pacific.

We were wise to gather in Seattle, if maybe a little late. And we were smart to begin with the subject of economic cooperation.

The Asia-Pacific has evolved into a region composed of countries highly interdependent economically on one another. For instance, nearly as much as 70 percent of the trade of these countries is with the other countries of the Asia-Pacific. This integration of the Asia-Pacific economies into a regional economy has for a long time been evolving without government support, direction or perhaps even advertence.

The establishment of APEC four years ago marked the acceptance by the governments in the region of the desirability of actively promoting the evolutionary process long under way. The APEC leaders' meeting was an effort to engage the governments at the highest level in the promotion over the long term of the process of Asia-Pacific integration. And I congratulate President Clinton for convening such a historic meeting.

But the movement toward the integration of the Asia-Pacific economies cannot be sustained, let alone speeded up, unless a stable security environment is provided to ensure that the region's businessmen can trade, produce, build and interact in peace and tranquility.

Our Association of Southeast Asian Nations is increasingly convinced that it should do its share in addressing the security requirements of the region. As the only functional intergovernmental organization in the region, it has lately emerged as a force for developing mechanisms to manage the region's security concerns. Its initiatives represent a diplomatic approach toward securing a stable security environment for the region.

#### **Asean initiatives**

In 1992 ASEAN added a security dimension to the political and economic dialogue that it regularly holds with its dialogue partners—the United States, the European Community, Japan, Canada, Korea, Australia and New Zealand. This development gratified the Philippines because it had been pressing for such a move.

In the same year ASEAN invited and witnessed the accession of Vietnam and Laos to the Southeast Asian Treaty of Amity and Cooperation, which bound signatories to the peaceful resolution of disputes. As observers and eventual members of ASEAN, it was hoped that these two neighbors would increasingly be drawn into the ASEAN way of managing potential conflicts in the subregion of Southeast Asia.

This year ASEAN established the ASEAN Regional Forum, at which questions of regional security and stability can be periodically examined and discussed together by all countries concerned. Participants in this Forum, which will be convened in December, include, in addition to the ASEAN member countries, the U.S., Canada, Japan, Korea, Australia, New Zealand, China, Russia, Vietnam and Laos. As my Secretary of Foreign Affairs recently reported to the United Nations, through this Forum the countries of the region may strive to ensure that regional security concerns will remain the subject of cooperation and consensus rather than of contention and conflict.

Writing in this month's issue of *Foreign Affairs*, Nicholas D. Kristof observes: "The most likely site for a war is probably the South China Sea, which China claims as its own 1,000-mile-long pond. This huge sea, encompassing the Paracel and Spratly island groups, covers major international shipping routes, including those that carry oil from the Gulf to Japan. The area is also claimed in part by Vietnam, Malaysia, Brunei, Taiwan and the Philippines."

It is also well to note that China and Vietnam have fought naval battles in the area in 1974 and 1988, and the danger of conflict may be growing because some experts believe that there are extensive oil and natural-gas deposits in the area.

#### **A force for peace**

In this troubling dispute, ASEAN is exerting itself as a force for peace. Three of those claiming the Spratly Islands are ASEAN member countries: Malaysia, Brunei and the Philippines. What ASEAN has been doing during the past few years is to bring the disputed area under a regime of peace, cooperation and mutual confidence.



Beginning in 1990, Indonesia, which is not a party to the dispute, hosted three workshops on the subject of managing potential conflicts in the South China Sea. As a result of these workshops, the Philippines hosted this year a working group meeting among claimants to the Spratlys on marine scientific exchanges. This represented the first concrete form of cooperation in the area, as well as a tangible confidence-building measure.

In 1992, at the initiative of the Philippines, ASEAN issued a Declaration in Manila calling on claimant nations to desist from the use or the threat of force to resolve the dispute and appealing to them to set aside the issue of sovereignty and explore the possibility of cooperation in the area.

The Declaration received the strong endorsement of the United Nations and of many countries. Vietnam expressed full support for the Declaration, China expressed appreciation for some of the basic principles and indicated that it was ready to enter into negotiations with countries concerned when the conditions are ripe.

In addition, China proposed joint exploration and development of resources in the Spratlys zone until the sovereignty issue has been settled.

Such exercises in preventive diplomacy are conducive to the peaceful resolution of disputes, but they cannot check the ambitions of an adventurist power. This is why I believe the continued engagement of the United States in the region is necessary as a guarantor of regional stability.

### **The U.S. role**

So far we have avoided in the Asia-Pacific the kind of conflicts that have erupted in Eastern Europe. A hate-filled conflict between ethnic and religious groups like those in the Balkans and the Caucasus has not occurred. And the lid on conflict long kept by the Cold War has been sustained. One major reason is economic growth.

Overall there is in Asia today a new attitude of dealing with the security challenges of the post-Cold War era, not in ideological terms, but in a realistic and pragmatic way. And one major point of convergence is that Asian security today depends not so much on military power as on the economic strength, technological capability and social cohesion of each country.

Asia can think this way because America's vigil over the peace during the Cold War has triumphed and given it the breathing spell to grow and prosper in peace and freedom.

Today, most of Asia believes that no state need aspire to hegemony—because it can attain its goals through peaceful commerce and integration in the community of nations. A truly global market has risen, and it is founded not on force but on mutual benefit.

Today, economic interdependence is a fact. It binds separate nation-states together and reconciles even the most bitter ideological enemies of the past. Against the gravitational pull of mutual benefit, ideology cannot prevail. Even the most obstinate nationalism in Asia is giving way to economic cooperation and synergy.

The meeting in Seattle serves to confirm this new thinking about security in Asia: that we can best promote peace in the region and the world by using economic progress and economic interdependence as our essential building blocks.

### **Common security**

Nevertheless, there are dangers. Some could arise from the clash of civilizations and cultures as the political scientist Samuel Huntington has warned. And others could be the result of new geopolitical rivalry and struggle within the Asia-Pacific—principally because of China's rise to power and preeminence, and the uncertainties posed by North Korea's nuclear capability.

We can hardly forget that the specter of nuclear proliferation has not been exorcised. Right now, ten countries have nuclear weapons. By the year 2000, the number could reach 21.

Against these threats on the horizon, we need to hold fast to our new concept of common security, which is built on mutual confidence, not mutual deterrence, on seeking security with other countries, and not against them.

Among us in Asia, we have moved some distance in building a multilateral system of consultation and cooperation on economic matters that helps to build peace and understanding.

But to complete this system of mutual reassurance, we must have America's continued engagement in Asia. We need America to help us build the new framework necessary to ensure that no power dominates the region.

This may sound curious coming from the leader of a country that rejected a new bases treaty with the United States. That basing agreement, however, belonged to the Cold War era. In the same way that the Philippine Senate in September 1991 believed that their usefulness was over, so America's own defense restructuring requirements have dictated, if belatedly, that the bases had to go.

Today a different kind of security arrangement is needed—one that does not require extensive U.S. military presence in the region, but certainly requires U.S. leadership. The Philippines regards itself as an integral component of the network of security arrangements the United States maintains in the region.

Similarly, the Philippines, as a treaty ally under the Philippine-U.S. Mutual Defense Treaty of 1951, supports the development of a high degree of interoperability between the forces of the U.S. alliance network. Interoperability calls for closer coordination, similarity in military training and doctrine, knowledge of weapons and equipment and compatible policies. Enhancement of such interoperability makes possible a coalition type of strategy which calls for the United States to maintain a level of sufficient strength around which its allies can coalesce.

### **Multilateralism**

For the Philippines to attain that level of interoperability requires that it develop a credible external defense capability to protect its maritime borders. We have embarked on a modernization program for our Armed Forces.

When we consider the changes that have taken place in the post-Cold War era, we have to consider "multilateralism" as perhaps the best approach to meeting new challenges and opportunities. As in the economic sphere, we have learned quite well how to use multilateralism as a means to advance our common interests, so in the security sphere it must be considered.

In particular, the Philippines would support the idea of establishing a multilateral security arrangement for the Asia-Pacific region under the auspices of the United Nations. The burdens of such a security system can be shared by the countries of the region, and it can be led by the United States.

The Philippines would be willing to consider the training of a battalion of light or specialized forces for peacekeeping and humanitarian/disaster relief roles within a multilateral security arrangement. Given our record in Korea, Vietnam and more recently in Cambodia, we can contribute greatly to these tasks.

Overall the prospects for peace and growth in the Asia-Pacific are good, but we can realize them only to the extent that we make the adjustments required by changed circumstances.

### **Building new structures**

If we cling to the old structures, the old attitudes, the old fears, then we will have difficulty in our transition into the new. Russia and Eastern Europe today are a reminder of how the process can be traumatic when people are not ready for change.

Asia in contrast seems to be adjusting much more quickly and better to the post-Cold War era. But there is no room for complacency. We have to speed up the building of new structures, institutions and rules in our transpacific relationship.

Frank Gibney, author of *The Pacific Century*, has noted a gap between wish and reality in Asia-Pacific affairs, especially as America sees it: “While praising Pacific economic development, promising a continued security presence, and predicting a rosy cross-oceanic future, the United States has neglected to develop a strong government infrastructure worthy of this goal . . . . The active participation of the United States is vital to the continued growth and peace of the Pacific Basin.”

Seattle, as we in Asia see it, signifies the end of America’s recent tendency to look inward and focus solely on its domestic cares. It could well be the beginning of real partnership in peace and growth in the Asia-Pacific.

*Source:* **Presidential Museum and Library**

Ramos, F. V. (1994). *Time for takeoff : the Philippines is ready for competitive performance in the Asia-Pacific*. [Manila] : Friends of Steady Eddie.

**Speech of President Ramos at the Third International Symposium on Interaction for Progress: ASEAN-Vietnam All-Round Cooperation Speech  
of**

**His Excellency Fidel V. Ramos  
President of the Philippines**

**At the Third International Symposium on Interaction for Progress: ASEAN-Vietnam All-Round Cooperation**

[Delivered at the Manila Hotel, December 5, 1993]

**Vietnam  
Reinforcing cooperation**

**and**

**Asean—**

IT REFLECTS some measure of success on this laudable undertaking that our countries are meeting for the third time in just a little over two years and that today we are joined by representatives from Myanmar, Laos and Cambodia.

When this dialogue began in Hanoi in August 1991, we had no more than the idea of bringing together senior policymakers and experts from ASEAN and Vietnam to exchange views and insights, in the hope that it could put in motion the wheels of cooperation between Vietnam and ASEAN. In a sense, it was no more than a Utopian hope that by talking, we could build more confidence in each other and that with confidence would come mutual understanding.

**Accelerating interaction**

Today we aspire to much more than confidence building and mutual understanding. This symposium addresses the issues of how interaction can be accelerated, particularly with respect to Vietnam's membership in ASEAN.

The times could not be more opportune for an acceleration of our timetable and objectives. In recent weeks major developments have taken place in our Asia-Pacific region that collectively have enhanced peace and cooperation throughout the region.

I refer first of all to the recent meeting hosted by President Bill Clinton for leaders of the Asia-Pacific Economic Cooperation (APEC) in Seattle, in which I had the privilege to take part.

Although the APEC meeting was informal and did not aspire to reach definitive agreements, it produced a fresh consensus on a united effort in the building of the Asia-Pacific future. As one, we concluded that the Asia-Pacific region would continue to lead the world in growth and that our countries could best secure their prosperity by strengthening economic cooperation between and within our shores of the Pacific.

The Seattle meeting marked a new beginning. From there now follow major undertakings in erecting the mechanisms and instruments to foster greater cooperation and community, to promote trade and investments and to resolve outstanding differences among member countries.

In the light of this transpacific initiative, this dialogue—which seeks to foster closer cooperation between ASEAN and Vietnam, and eventually between ASEAN and the whole of Indochina—takes both added meaning and impetus. I venture to say that this effort of Vietnam-ASEAN cooperation has received a big boost from the APEC consensus. At the same time this effort—brought finally to fruition—will contribute greatly to all that we envision for the entire Asia-Pacific region.

**Toward a new order**

How then can we further the objectives that this interaction for progress has uniquely brought before us?

To begin with, I believe we must adhere to and build upon the approaches and understandings already reached in the earlier stagings of this ASEAN-Vietnam dialogue.

Whatever we stress in this cooperative effort—be it economic progress or regional security or both—our overriding task is to ease the transition of Southeast Asia from the Cold War to a new order. We are agreed that our respective and collective interests are best served if we turn our attention away from the old competition for political and military influence to the tasks of economic growth, investment and trade.

For Vietnam and the other countries of Indochina, no less than for us in ASEAN, we have come to realize that our security needs are better defined more and more in economic terms. Our countries achieve stability to the extent that we take part in the dynamic growth of the Asia-Pacific region. And our collective security is similarly advanced to the extent that all in our region are able to share in the benefits of progress.

It goes without saying, of course, that not all of our countries are opening up and taking part in the global economy at the same time and at the same pace. Some among us are still settling internal instabilities and conflicts. Others are still trying to undertake the reforms that will enable them to take part in the regional effort more effectively.

And then, of course, there are also in our part of the world lingering territorial disputes and rivalries that must be faced.

### **The security dimension**

It is our view within ASEAN that these difficulties can best be hurdled, not separately, but together. Multilateralism is our most useful tool in these times of opportunity and challenge. Working closer together, we can hurdle the obstacles in the political, security and economic spheres.

While we acknowledge the tremendous opportunities that are opening before us, we do well to be guided by our heads and not by our hearts. Security and economic issues, while related, are not reducible to one another. In each area there are clear tasks that must be tackled. And we must attend to them with dispatch and resolve.

With respect to security, Vietnam and ASEAN must strive together to arrive at a common approach in defusing the greatest threat to peace and stability in Southeast Asia—the South China Sea. We must try to transform this sea we share among us into “a lake of peace, prosperity and growth” in which all can share and take part.

In ASEAN we nurture no greater goal today than to bring both Vietnam and China into such a peaceful, collective effort.

And beyond our concern for the South China Sea, we aspire to involve all other states in Southeast Asia to join us in building such a new order for our region.

Our policy, as I have put it in several forums, is not containment but engagement. We want to draw all countries into a network of regional ties that emphasizes cooperation.

By the same token, ASEAN also recognizes the great importance of getting the major powers in the Asia-Pacific region—the United States, Japan and China—engaged in cooperative interaction with each other and with us. This is why we assign such great importance to the understandings reached in the APEC meeting.

### **Economic cooperation**

Though security concerns create sources of anxiety among us, they are undeniably also eased by the extent whereby the countries in our region succeed in their labors for economic development, especially where this is aided by economic cooperation with neighbors.

In this country the opening up of trade and investment and the enhancement of mutual support and interdependence are necessary measures for us to attain our national vision of “Philippines 2000.”

For the first time since World War II, it is possible to speak of our national security interests as crucially dependent for their protection, not on arms or military alliances, but on the interdependence of our economies.

I do believe this change is now under way, and that is one reason why this dialogue between ASEAN and Vietnam is full of promise.

Today none of our countries need aspire to hegemony in order to feel secure. We can attain our security goals through peaceful commerce and integration with our neighbors.

By engaging in commerce and economic cooperation, we can attain what our peoples want most—the achievement of sustainable development and modernization.

We know a measure of this is already existing in ASEAN.

With Vietnam, we are beginning to see how its opening to the regional global economy can help its own development.

We can no longer be in doubt that with Vietnam in ASEAN both Vietnam and ASEAN will reap dividends in greater regional stability and growth. This is why this dialogue will reach its valued destination of bringing Vietnam into the ASEAN community—sooner or later, but it is certainly best that we do this soon.

### **The growth of regionalism**

In seeking greater community among us in Southeast Asia, we enhance our ability to compete profitably and contribute to growth in the world economy as a whole. Today, as is well known to all, economic regionalism is on the march in every corner of the globe.

We in Southeast Asia must strive for no less. But we must stand for regionalism that is open and outward-looking. We must think globally even as we think of the welfare of our region.

Regional groupings answer the current need for scale, specialization, the pooling of talents and skills, and the reduction of national anxieties in a new world without definitive centers.

But such groupings would be bad for global growth if they only result in protectionism on a wider scale. We in ASEAN believe that such regional groupings can link up with each other in a truly global economy.

Here in Southeast Asia, we do well to work toward greater regional unification, for in this way we can enhance our collective competitiveness in the global economy.

And it is certainly useful for us in ASEAN to reach out to our other neighbors in Southeast Asia because today, more than ever, we can transcend our traditional differences. Today, when the promise of modernization is within our grasp, many of these problems can be reduced to irrelevance by our collective and mutual growth.

This is the overriding significance of this dialogue for Southeast Asia and the Asia-Pacific region.

### **Partners in peace and growth**

To sum up, I believe we no longer need to engage in this third staging of this dialogue just to discuss why there should be interaction between Vietnam and ASEAN. Our principal concern now should be how we can facilitate and speed up interaction.

During the recent past, it has been a great boost that we have involved in this dialogue not only decision-makers in Government but many from the private sector and academe. In this way, the discussion has examined all relevant issues and produced invaluable insights.

Now we can focus on practical issues and measures for action. Now we can begin to establish the mechanisms and the linkages that can bring Vietnam and ASEAN closer together—as partners in peace and growth.

*Source:* **Presidential Museum and Library**

Ramos, F. V. (1994). *Time for takeoff : the Philippines is ready for competitive performance in the Asia-Pacific*. [Manila] : Friends of Steady Eddie.

**Speech of President Ramos at the 53rd Anniversary and Induction of officers of the Women Lawyers' Association of the Philippines**

**Speech  
of  
His Excellency Fidel V. Ramos  
President of the Philippines  
At the 53rd Anniversary and Induction of Officers of the Women Lawyers' Association of the Philippines**

[Delivered at the Manila Hotel, December 7, 1993]

**Women  
in development**

**lawyers**

THIS MAY COME as a surprise to some of you, but the truth is that I almost became a lawyer myself by enrolling at the University of the Philippines College of Law in 1954. But faced with the choice of spending long nights either with the cases assigned for study by then Dean Vicente Abad Santos or with my new bride Ming, I chose the latter.

I hope you will agree that if there is anything nobler than a lawyer's calling, it is that of love and marriage, which, in this particular case, won the day.

So I may not be what you would call a *compañero*, but I assure you that I have often enough shared the company and the wisdom of lawyers—sometimes, to my regret—to know what their concerns are.

**Too many *male* lawyers**

There is a popular impression that we have too many lawyers in this country for our own good. The fact is that there are indeed too many male lawyers, not all of whom are good.

This notion has been helped, no doubt, by the fact that more and more people are filing new cases much faster than our courts can dispose of them. In other words, we seem to have become a litigious society.

That may be so, but I would like to believe that it is a healthy sign, since it could mean that people have become more aware of their rights and responsibilities, and submit themselves to the rule of law in settling their disputes.

The increasing participation of women in the legal profession is another sign that our society is maturing.

Women lawyers now make up about 11 percent of the membership of the Philippine bar. It is reported that there are now as many female as male students in our law schools. The bar, once an exclusive male preserve, has been happily infiltrated by women—happily, according to male law students.

Starting with a very small core group 53 years ago, the Women Lawyers' Association of the Philippines now counts some 500 members. With more women now interested in the legal profession, that number is bound to rise dramatically.

**Women in the law**

I cite these figures because they are a clear and welcome illustration of how far our society has come in recognizing—indeed, in requiring—the contributions of women to the national life.

As you all know better than most, the legal profession demands the observance of the highest standards of intellectual performance and moral courage.



Not even the most intelligent person can become a lawyer if he or she lacks the personal commitment—the guts—to serve the cause of justice, which can often be an unpopular, thankless and even risky undertaking.

Given the traditional culture of “machismo” against which Filipino women must compete, the entry of every new Filipina lawyer or judge into the system is a victory not only of the individual female, but of womanhood as a whole.

Today we need your contributions more than ever. We stand on the threshold of unprecedented economic opportunity and social change, of radical transformations that will make the Philippines of the twenty-first century a vastly different country and society from that which we know today.

We are at a crucial transition between the backwardness of a past largely dictated by colonial attitudes and elitist interests, and a self-determined, people-empowered future where every Filipino can lay claim to his or her fair share of prosperity and responsibility.

It will not be an easy process.

We have had, first of all, to secure the peace and our national stability. We still have to wean ourselves away from the culture of violence that has held sway over our thinking, our performance and our politics for too long.

I speak here of the armed insurgencies which, for many decades, threatened to tear our country and people apart, in the pursuit of narrow ideologies that have now proved themselves irrelevant and unfit to meet the needs of our people.

I speak of the crimes that have dominated our newspaper headlines. In the worst cases, the participation of Government officials and law enforcers themselves in these crimes has undone much of the good, honest work of the great majority of our civil servants.

### **Glamorizing criminals**

I speak, too, of negative attitudes promoted by some elements in the media and the movies—attitudes that tend to romanticize violence and glamorize criminals—to uphold these as a natural part of the Filipino way of life, as a quick and easy means to resolve conflict and gain influence.

What could be more horrifying, and yet tragically instructive, than that recent story of an eight-year-old boy who apparently shot dead the family maid because of a petty argument over a TV program?

This boy, clearly, was a product of that glamorizing of violence I mentioned earlier. It is a culture we shall have to root out thoroughly if we are to move fully into the circle of progressive and enlightened nations.

Economic growth by itself would be meaningless, unless we promote peace, harmony and tolerance as basic values for every Filipino to acquire and practice.

We have already gained much ground against violence.

On the political front, the peace process has been proceeding slowly but surely. Except for a very small and increasingly isolated core group based abroad, the radical Left has begun to come over to our side by the thousands, across the bridges of peace we have built.

We are also pursuing promising peace initiatives with the Moro National Liberation Front and military rebels.

There has been no letup as well in our war on crime. In this, we will be aided by a new death-penalty bill, which I expect to sign into law very soon.

## **Gaining ground against violence**

Capital punishment by itself is not enough as a deterrent. But in concert with our other efforts to prevent and suppress crime, it should complete the full circle of justice by which society can and should protect itself against its worst elements.

I am especially glad that this new bill provides for the death penalty in the case of plunder by public officials in excess of P50 million.

Let me say here and now that I will have no objection if any public official, so convicted, is sent to the gas chamber, if this will serve as a clear warning to others who continue to view public office as an opportunity for private profit.

We are in the middle of a wide-ranging campaign to dismantle private armed groups. Under “Oplan Paglalansag,” we have been able to break up more than 400 such gangs, from whom we have collected more than 24,000 firearms.

But promising as this beginning has been, I know that much more remains to be done, and this continues to be one of the most important goals of my Presidency.

When I leave this office, I shall want to leave behind me a safe and secure society — one in which genuine democracy and economic progress can continue to flourish without fear of armed oppression.

At the same time, you and I know that unless we achieve rapid and enduring economic growth—not only for the few but for the many—the seeds of violence rooted in poverty will continue to thrive in our society.

This is what I call the economic imperative: the need to give material substance to our democracy. Indeed, no democracy can last long unless it provides adequately for the basic material needs of the people.

## **The economic imperative**

Toward this end, we have formulated “Philippines 2000,” which is our strategic vision of national development into the coming century.

“Philippines 2000” aims to attain for the country a level of prosperity similar to that of a newly industrialized country by the turn of the century.

Within the next five years, this should translate into the following results: a GNP growth rate of 6 percent to 8 percent; per-capita income of at least US\$1,000; and a reduction in the incidence of poverty from the present 51 percent to around 30 percent.

This can be achieved if we sustain our emphasis on two main elements of that vision: global competitiveness and people empowerment.

By global competitiveness, we mean that the Filipino should be able to match his products and services with the best that the world has to offer. This involves democratizing the economic structure in order to provide equal opportunities through deregulation, liberalization, privatization and dismantling of monopolies, cartels and other onerous concentrations of power and resources which are injurious to the public interest.

This also entails the provision of a stable political and security situation and an efficient bureaucracy.

We shall also have to improve our productivity by ensuring the availability and affordability of investible funds and physical resources, adequate and efficient infrastructure, and a well-educated and skilled workforce.

By people empowerment, we mean providing our people with the opportunities, rights and resources to pursue their individual and collective capabilities to the fullest. This can be achieved by creating new and viable livelihood opportunities in the countryside, as well as by opening avenues for more meaningful participation in government.

Meanwhile, in the management of the development process, we will be guided by the following principles:

- 1 Devolution—the transfer of decision-making to the lowest level possible;
- 2 Deregulation—the removal of red tape and Government competition with the private sector;
- 3 Decentralization—the transfer of resources and services to the countryside, and;
- 4 Democratization—the provision of equal opportunities for everyone within his level of skills.

### **The WLAP'S role**

The Women Lawyers' Association of the Philippines can help attain this vision, through its many worthwhile activities and projects, particularly those it has undertaken for the welfare of women and children. They have been among our most neglected citizens. Certainly, your work will be invaluable in empowering them.

I commend you for giving free legal assistance to the poor. That, too, is more than an act of mercy; it is a function of democracy, of ensuring that justice is made available to those who need it most.

For these, and for your many other contributions to national development, I offer you my thanks and congratulations, with the hope that your Association will continue to be Government's effective partner in the years ahead.

The law and justice must be above gender. But you bring to it what a woman brings to every marriage and every household: a sense of shared responsibility.

*Source:* **Presidential Museum and Library**

Ramos, F. V. (1994). *Time for takeoff : the Philippines is ready for competitive performance in the Asia-Pacific*. [Manila] : Friends of Steady Eddie.

## **Speech of President Ramos at the Fifteenth National Prayer Breakfast**

### **Speech of His Excellency Fidel V. Ramos President of the Philippines At the Fifteenth National Prayer Breakfast**

[Delivered at the Westin Philippine Plaza Hotel, December 10, 1993]

#### **The spiritual empowerment imperative of**

EACH OF US present here today—Catholic, Protestant or Muslim—translates prayers differently. Yet in all that we say for spiritual empowerment, the goals of peace, love and prosperity for all are the same for everyone.

The Gospel text has set the tone of this breakfast prayer meeting—“Love the Lord your God with all your heart and with all your soul and with all your mind and with all your strength and so love your neighbor as yourself.” (Mark 12:30)

This renews in each of us that common goal that is reflected in all that we do and in all that we want to see, to love our neighbors even when it hurts and to love them even more when they have denied us.

#### **Enduring faith, enduring peace**

Today we have high hopes for enduring peace in our society. Our efforts to end internal conflicts have been moving progressively. Erstwhile insurgents and rebels have signified a readiness to cooperate in achieving this elusive peace.

Luke (4:18) shows us the way: “The spirit of the Lord is upon me, because He has anointed me to preach good news to the poor. He has sent me to proclaim release to the captives and recovery of sight for the blind, to set at liberty those who are oppressed.”

I call upon our leaders to help lead in the spiritual reawakening of our people. For only through the Lord’s guidance can our people be spiritually empowered. And only then can we achieve and sustain the goals of unity, peace and progress.

Acts 1:1-9 clearly states that we need not question the decisions of the Lord. In Isaiah 11, God promises everlasting peace to all the righteous who will keep His covenant.

Once again, we see the imperative of spiritual empowerment to keep us on the right path.

For we must remind ourselves that it is not only economic progress and political stability we are after.

We also seek the total human development of 65 million Filipinos. This involves, beyond the material sphere, their spiritual uplift.

#### **God’s gift of freedom**

Our Government vigorously pursues programs to empower our citizenry that each Filipino may have all the opportunities to realize his full potential.

Our Government espouses the ideal that God's gift of freedom is best appreciated if we all work at enabling every man, woman and child in this country to achieve the full flowering of his or her talents.

Our Government firmly believes that the faith, trust and obedience we repose in our Lord's teachings are expressed in our efforts to attain our aspirations for peace, justice, progress and abundance. Our Government believes that service to country and people is also service to the Almighty.

For while the patterns of human life may have been altered by the triumphs of modern science and technology, our moral imperatives remain the same—to serve God and our fellow men, to practice love and charity to one another, and to find and nurture, within ourselves, that seed of spirituality with which God has blessed every human being.

With the coming of the Christmas season, let us all wish each other the blessings of spiritual prosperity as well as material abundance to carry on the noble goals of nation building.

With this in mind, let us remain united so that we may generate renewed strength that will bring us to the ultimate fulfillment of God's promise of enduring peace, prosperity and brotherly love.

*Source:* **Presidential Museum and Library**

Ramos, F. V. (1994). *Time for takeoff : the Philippines is ready for competitive performance in the Asia-Pacific*. [Manila] : Friends of Steady Eddie.

## **Speech of President Ramos at the Human Rights Day with the Indigenous People**

### **Speech of His Excellency Fidel V. Ramos President of the Philippines At the Human Rights Day with the Indigenous People**

[Delivered at Heroes' Hall, Malacañang, December 10, 1993]

**Human rights and our indigenous people**

IT WAS the perceived abuse of human rights that brought all of us, through people power, to the EDSA Revolution in February 1986.

The scope of human rights has expanded to include not only the right to life and liberty but also special concerns such as alternative cultures, minorities, indigenous people, women, children and other disadvantaged sectors, and lately the right to a healthy environment.

We are proud to say that the Philippine concept of people empowerment born at EDSA—of the interdependence and indivisibility of political, social, cultural, economic and environmental rights—influenced the movements for people empowerment in many other countries. Through the EDSA Revolution, we Filipinos provided a new standard for human rights for the twenty-first century.

#### **Environmental concerns and indigenous peoples**

This Government has reaffirmed this contribution to international human-rights standards by pursuing people empowerment.

Today, we focus on the newly recognized rights of peoples as part of our goal of people empowerment: the rights of indigenous peoples and people's right to a clean environment.

Our Government supports international movements for these two causes. Our 1987 Constitution provides for the protection of our environment through sustainable development and for the protection of the rights of our cultural communities. With these provisions as our basis, we have proceeded with specific measures to pursue these ends.

Since June of 1992 our country has acted substantially on at least five human-rights and eleven environment and development agreements. When the Philippines signed Agenda 21 in Rio de Janeiro last year, we pledged our commitment to promote sustainable development through environmental protection. And we immediately followed up this pledge by creating the Philippine Council for Sustainable Development, making ours the first country in Asia to take action on the covenant drawn up in the Rio Summit.

Congress, too, has done its share in environmental protection. We are now carrying out our laws against toxic waste. We are promoting the use of lead-free gasoline.

In Metro Manila we have closed the dumpsite at Smokey Mountain and we are trying to revive the Pasig River. We are cleaning our environment through our Cleaning and Greening project, which is the First Lady's main effort.

#### **Cleaning up Laguna Lake**

We have just witnessed the signing of the agreements to adopt measures to clean up Laguna Lake and to train our children to become more conscious of their environment.

The highly successful global Youth Earthsaving Summit, spearheaded by our non-Government organizations, has merged the themes of indigenous peoples, youth partnership and sustainable development. We are especially gratified that in that global summit, graced by Nobel laureate Rigoberta Menchu, we were able to carve a name for the Philippines as a new champion of the rights of cultural communities.

I previously issued Executive Order 29 creating the National Committee for Indigenous Peoples to organize activities for the 1993 UN International Year for Indigenous Peoples. To further support our indigenous groups, my first nominee to Congress as sectoral representative of our cultural communities was Datu Joseph Sibug.

This Government commits itself to upholding the constitutional mandate to enhance the rights of our cultural communities and to protect our environment. But, just like other projects, the success of these endeavors cannot be guaranteed if we rely only on Government's action. We need the help of our non-Government organizations. We need the help of everyone.

I therefore call on every Filipino to observe Human Rights Day by being aware of the rights of his indigenous communities and by pledging himself to protect the rights of his *katutubo* and to observe sustainable development measures.

### **Continuing the crusade for human rights**

The emphasis on these new concerns is part of our goal to empower the Filipino citizenry.

Our awardees today are exemplars who stood as vanguards of the human-rights movement through their achievements in different fields of endeavor.

Special commendations go to our "Soil" awardees who have fought for the rights of our indigenous communities.

As we recognize the achievements of all our awardees, let us also thank them for their selfless dedication to these causes, which should also be the causes of the Filipino people.

We are on the threshold of a new century, and we are set to experience a new dawn in our economy. On this Human Rights Day, let us remember those who sacrificed and labored long and hard to ensure that we will enjoy our basic rights and freedoms today. Today also, let us dedicate this celebration to all who champion the rights of our cultural communities and the right of our people to enjoy a healthful environment, which is part of our right to life.

*Source:* **Presidential Museum and Library**

Ramos, F. V. (1994). *Time for takeoff : the Philippines is ready for competitive performance in the Asia-Pacific*. [Manila] : Friends of Steady Eddie.

**Speech of President Ramos at the Nineteenth Philippine Business Conference Speech  
of  
His Excellency Fidel V. Ramos  
President of the Philippines  
At the Nineteenth Philippine Business Conference**

[Delivered at the Philippine International Convention Center, December 13, 1993]

**Economic  
has begun**

**recovery**

IN GOOD TIMES and in bad, it has been customary for the President of the Republic to address the opening of this annual Philippine Business Conference, organized by the Philippine Chamber of Commerce and Industry.

Some of you will probably say that most of these conferences have taken place during bad times in our country. If so, then we meet for this nineteenth conference in more auspicious and promising circumstances than in previous years.

But I say that guardedly. Although we have moved some way during the past 17 months and we are looking forward to a Christmas season literally brighter than the last, these are still difficult times we live in.

**National economic performance**

We are not yet over the hump. There are still many obstacles to hurdle. This is the nature of the continuing challenge we face—to lift up an economy that has long been in crisis.

We do well to begin this conference by taking stock of where we are today.

Perhaps the most striking thing about the national economic performance today is that Government's claims of success are coinciding with what expert observers are saying. In the past, the twain had seldom met.

In its latest credit update on the Philippines, dated December 6, 1993, Salomon Brothers reports:

Over the past 18 months, . . . the Philippines has made enormous progress toward setting the foundation for longer-term economic and political stability. The country has finalized a Brady debt-reduction agreement, returned to the international capital markets and liberalized foreign exchange regulations which have led to higher levels of private capital flows. At the same time, economic growth is recovering. GNP growth was reported at 2.8 percent in the third quarter, inflation remains in the single-digit levels, and foreign exchange reserves remain high at over US\$5 billion.

The Government of Fidel Ramos is supported by greater political stability and a foundation of macroeconomic reforms already in place. . . . the level of political support for implementing economic reforms is better than at any time since 1986

Macroeconomic indicators for the Philippines compare favorably with . . . a number of investment-grade countries. GDP growth in the Philippines has been high and stable compared with countries such as Argentina and Brazil; inflation has been lower and less volatile, while external debt reduction has been faster. The conditions for achieving sustainable growth are now firmly in place.

Significantly, the 12 key economic indicators cited by the Salomon Brothers' report are the same ones that the Ramos Administration also considers its major tests for effecting an economic turnaround. The indicators are:



1. Commitment to economic reforms: The determination to attract foreign investments, end the power shortage, raise exports and achieve an annual GNP growth of 6 percent to 8 percent by 1998 and a per-capita GNP of at least US\$1,000 by that time.
2. Solid and rising economic growth rates: GNP will grow by 2.5 percent this year and will likely attain 4.5 to 5 percent in 1994.
3. Relatively low inflation: Inflation is projected to remain no higher than 8 percent by year-end.
4. Improved management of public finances: Tax revenues should reach about 14.9 percent of GNP this year. The budget deficit is estimated to be 3.0 percent to 3.5 percent of GNP. The current-account deficit will remain stable at approximately US\$1 billion, but net capital inflows are expected to improve this situation soon.
5. High level of foreign-exchange reserves: Foreign-exchange reserves are expected to be at about US\$5 billion by year-end.
6. Reduced debt burden: Commercial bank debt has been reduced by more than US\$6 billion. The debt-service ratio has declined from 37 percent of export earnings in 1984 to 18 percent in 1992, lower than those of Turkey and all of the Latin-American countries.
7. Performance of the agricultural sector: This sector, which composes 22.8 percent of GDP, grew by 3.3 percent during the first semester.
8. Growth of exports: Export growth is expected to reach 14 percent this year, exceeding the 11.5 percent average from 1983 to 1992.
9. Decline in domestic interest rates: These rates will average about 13 percent this year, down from about double the rates three years ago.
10. Return to the international capital markets: The success of five Eurobond issuances totaling US\$670 million by public- and private-sector entities marks a significant step forward in the normalization of the country's access to world capital markets.
11. Record growth of equity market: The stock market has shattered records many times this year. The returns in the equity market as of the end of November 1993 were at about 65 percent, one of the highest in the Asia-Pacific region. Portfolio investment from investors abroad rose to more than US\$250 million in the first half of 1993, compared with only US\$23 million during the same period last year.
12. Privatization initiatives continue: Reduction of the State sector in the economy through privatization and Government divestiture is moving apace, and will accelerate in 1994.

These are the incontrovertible signs that economic recovery is now in full swing.

### **Vindicating our democracy**

When I addressed your eighteenth conference last year, you were in deep debate over whether we could achieve our development goals, given our democratic system of government. We have given proof since then, and are giving proof, that we can have both democracy and development, that in fact, democracy is not a handicap, but an asset, with sustainable and enduring development as our long-term goal.

True, the executive does not always get what it wants from Congress and the judiciary—even on matters we consider critical to our medium-term and long-range strategy.

But even the occasional obstacles have their virtues. The process of debate serves to refine proposals and programs. And once enshrined as policy, they are easier to carry out because of the political support behind them.

I take this occasion to call upon our partners in Congress and the judiciary to keep pace with us in the executive in the removal of gridlocks and in opening up the economy, because at stake is no less than the uplift of the entire nation from its perennial state of inadequacy and poverty.

During my recent visit to the United States, our meetings with many business groups in seven cities confirmed my belief that our functioning and authentic democracy constitutes a competitive edge for our beloved Philippines.

Foreign investors are attracted, I do believe, where a favorable investment environment is created by democratic consensus and therefore predictability and where there is real stability they can depend on.

This was the point of Ambassador Elliot Richardson during his recent visit to Manila as the head of a U.S. investment mission when he declared: "I think, objectively, as of today, the Philippines should be rated ahead of the others. If you look directly at the factors that should influence investment decisions, I think the Philippines comes ahead of the competition."

He cited among these factors our democratic government, our educated and skilled workforce, our widespread use of English, and our sophisticated financial system. This kind of sophistication and easiness in dealing with the world is a consequence of our being a free and open society.

We can stretch this point farther. In today's world, where countries must think and compete globally, the open societies—if they are dynamic enough— have the advantage.

### **Alliance for modernization**

But these perceived advantages constitute only part of what we must guarantee to really be competitive with our vigorous neighbors. We must work double time—the executive, Congress, the judiciary and the private sector together—to speed up the reform process and modernize the national economy, and we must optimize our limited resources that do not allow for delay, waste and mistakes.

To get to the next stage in the development effort—to move from economic recovery to sustained development—we need a strategic alliance among all the key sectors in the economy. This involves:

First, informal but close cooperation among Government, business and labor as well as non-Government and people's organizations, anchored by a shared vision of our national future.

Second, a corporate approach to development, by the setting of clear targets and priorities and the adoption of problem-solving attitudes, and;

Third, maximum use of information in order to respond proactively to opportunities, risks and changes in the global marketplace.

For this alliance to be effective, the role of each sector must be clearly defined and respected, and it must cohere into a collective drive toward sustained growth.

In the case of our private sector, I see the important role that the Philippine Chamber of Commerce and Industry can play. Accordingly, I have instructed the Cabinet, all Government departments, agencies and instrumentalities concerned to extend to the Chamber cooperation and assistance, particularly on programs and matters calling for joint Government-private sector efforts for the attainment of "Philippines 2000."

On the side of Government, I cannot overemphasize the need to transform the bureaucracy into an effective instrument for program implementation. Though we have made a start in streamlining the bureaucracy, we are still far from achieving a more responsive Government machinery that effectively discharges its responsibilities in the development effort. But I assure you that we will be unrelenting in pursuing this goal.

In national development, there is a clear link between actions and consequences. There is little point in knowing what must be done if we cannot carry out our goals.

### **Specific policy concerns**

Consequently, we seek from Congress the legislation to effect a thoroughgoing reform of the bureaucracy. This must be onstream in 1994. Otherwise the entire development program will be vulnerable.

Similarly, we seek congressional support in the passage of specific policy reforms relating to the economy.

On the proposed antitrust legislation, we can no longer delay the framing of a law that will allow greater and fairer business competition. This is vital to avoid further misallocation of resources, inequalities in the distribution of income and centralization of onerous arbitrary power over consumers and workers.

An antitrust law that protects public interest without preventing the growth of companies through fair competition will be a useful tool in developing the economy. It will allow Government to respond more expeditiously to the dynamics of the economy, to our social responsibilities to our people, to the needs of consumers and to the challenges posed by our international competitors.

On the liberalization of the entry of foreign banks, we need to speedily harmonize differing approaches in bringing about such a basic policy change. I recognize the need for safeguards for Filipino banks; but let us keep in mind the incalculable benefits to be derived from size and capability which the entry of foreign banks makes possible.

### **Rationalizing tax concessions**

On the rationalization of tax incentives, exemptions and concessions, we will continually seek policy reforms that will not only generate more revenue but also be consistent with the thrusts for more new investments and expansion of enterprises.

On the tax effort, steps are being taken not only to reorganize the Bureau of Internal Revenue and modernize the Bureau of Customs, but also to overhaul the entire tax system with the key objectives of providing for relatively lower tax rates and reasonably higher revenues.

We are also studying the possible shift from the home consumption value method of customs valuation to the Brussels definition of value, or the BDV. It is claimed by some that the manner in which dutiable rates are determined under the BDV method will result in enhanced trade and investments. But then there are also apprehensions that a shift to BDV will negatively affect Government's revenue collection.

On the development of the capital market, we will not hesitate to continue taking measures to ensure efficient and effective long-term domestic resource mobilization. Once and for all, we must correct the present situation where there are weak savings mobilization (especially of medium-term and long-term funds), low domestic credit to the private sector, and credit bias against priority growth areas.

The underdeveloped state of the Philippine capital market makes it imperative now for us to look for ways and means to develop stronger and more efficient financial institutions, enhance the liquidity and reduce the risk of capital market instruments, and create an overall environment where the capital market can flourish.

All these gaping holes in the policy environment underlie how gravely decision making in our country has faltered and lagged in the past.

### **Need for foresight**

In the race for development, it is now well recognized that governments must make policy decisions early, proactively and strategically. We must anticipate, and we must act with foresight—because if we only act when the need is clear, it is often already too late.

This is the challenge of statesmanship—especially in the democratic system whose processes often grind exceedingly slow.

Our ordeal with the power shortage is a humbling illustration of policy myopia. Our rising headaches in transportation, infrastructure and management of solid waste are another.

These problems should have been easy enough to recognize, since these are abiding responsibilities of Government.

We must not allow Government to be distracted by destructive political warfare, which used up much of our time, energy and resources in the past.

Today, we are in a better position to anticipate needs and address problems, in spite of the continued obsession of some with partisan politics. This should be relegated to the backseat owing to the national clamor to catch up with our neighbors and advance with them.

To me, this new pragmatism, this fresh spirit of competitiveness, is the greatest single change that has come upon the country during the past 17 months, and it should energize the entire national development effort.

In the past, comparing ourselves constantly with our more progressive neighbors merely seeded envy and frustration—because we were so down, and our prospects were dim.

Today, this pervasive awareness of the world around us—of being part of the fastest-growing region of the world—is fueling a different response. It is bringing out Filipino pride, a desire to excel, to move forward, to hold up our own virtues and talents as a nation.

This is exactly what we need to compete in an increasingly interdependent world and global economy.

### **Thinking globally**

I have been criticized by some sectors for my foreign trips during my one and a half years in office. I have been told that there are many problems at home requiring my attention. I have been accused of junketing.

Let me say to them: I do my homework and I do my foreign work—all with the same gusto, using a problem-solving approach.

However, for the sake of argument, consider for a moment where we would be now had I followed their narrow counsel. Even leaving aside the investments that these visits have brought in, consider how others would be looking at us now had we desisted from these diplomatic and economic initiatives.

In all likelihood, they would still be talking of us today as “the basket case” of Asia.

I submit that we have succeeded in substantially changing Asian and North American perceptions and attitudes toward us. We have built new bridges with them that now enable us to conduct renewed relations with each and all of them on the basis of economic give-and-take.

But this is not just a matter of perception. It has also something to do with what has happened here at home—with the nation we are today.

The Mexican writer Carlos Fuentes has bitingly observed: “Only independent nations can be interdependent. You can only be a partner if first you have a certain degree of independence.”

We are that independent nation today in the eyes of the world. We are putting our house in order. We have contributed substantially to the building of ASEAN, and can now say with pride that we are doing our part for our Asia-Pacific community.

There are also those who fear that our new outward-looking policy will expose us only to the currents and dangers of a highly competitive world. There are those in this very forum who even now are unnerved by the prospects of our participation in the ASEAN Free Trade Area.

### **Cultures that perish**

They say that we cannot cope with these challenges.

I will answer: “Remember the Aztecs of ancient Mexico. They did not know that other worlds existed outside the boundaries of their empire. When the Spaniards came, they died of fright.”

In history it is the cultures that live in isolation which perish.

In our interdependent world today it is the countries that cannot take part which will be left behind.

There is no other way. Our concern is not just national development but national survival. We must integrate our economy with the world's. And we must learn to compete like the Asian dragons.

Timorous souls are already saying, this is easier said than done. Philippines 2000 is just wishful thinking. It is unattainable. We are not ready to compete.

I most certainly disagree. And there are now many in this country and also abroad who not only believe that the Philippines can compete but who also put their money behind their faith and confidence in the country.

When the Eighteenth Philippine Business Conference met in November 1992, the air was heavy with foreboding and pessimism. The outlook for the economy was indeed bleak.

But today we meet with positive and encouraging news about the economy's more vigorous performance during the second semester, and reports that our reform programs are moving forward. This is to the credit of our business community, as much as to Government.

I congratulate and thank you for keeping faith with the national leadership and persevering through the times of difficulty.

### **Cutting edge of development**

Since the beginning of my Presidency, I have been telling our businessmen that it would be a terrible irony if foreign investors should be able to cash in on our tremendous growth potentials, while our own businessmen are merely watching from the sidelines, afraid to commit themselves.

Well, ladies and gentlemen, the foreign businessmen are coming in—and in numbers we have never seen in this country before!

If I see one surpassing task for this Nineteenth Business Conference, it is to harness the full might of our business community to the development effort. This concentration of energy and resources on your part will be the cutting edge of development. It will help turn skeptics into a critical mass of believers. It will help elevate our national development program into new and crucial stages—from economic recovery to economic growth to sustained development.

*Source:* **Presidential Museum and Library**

Ramos, F. V. (1994). *Time for takeoff : the Philippines is ready for competitive performance in the Asia-Pacific*. [Manila] : Friends of Steady Eddie.

## **Speech of President Ramos during the 1993 Golden Shell Awards**

### **Speech of His Excellency Fidel V. Ramos President of the Philippines During the 1993 Golden Shell Awards**

[Delivered at the Golden Shell Pavilion, ITC Complex, Roxas Boulevard, Manila, December 16, 1993]

#### **Honoring Filipino talent**

**world-class**

WE LIVE in extremely challenging times. The economic terrain keeps changing, posing constant opportunities and threats to Philippine trade and industry. A few years ago, demand was strongest for nontraditional exports to traditional markets in Europe and the United States. Today, innovation and market diversification are the imperatives of global competition.

Nations are now being cast onto an ever-changing arena of economic competition. The realities of international economics compel us to be more outward-looking, more open and more cooperative. We must shape up now or lag far behind.

In this dynamic period for the Asia-Pacific region, we must seize the opportunities before us. Thus we have fully supported the ASEAN Free Trade Area (AFTA) and promoted Asia-Pacific economic cooperation through APEC.

#### **Enhancing our export competitiveness**

We are determined to take part in and contribute to the growth of our region, and it will be our exports that will get us there.

The adoption of global excellence together with people empowerment as the twin themes of our national vision of “Philippines 2000” indicates the importance we give to our export industries.

But to be truly competitive in the context of AFTA and APEC as well as other regional groupings such as the North American Free Trade Agreement and the European Union, and under the newly expanded umbrella of the General Agreement on Tariffs and Trade, we have to work doubly hard to become a credible contestant in the global economic game.

This calls for the improvement to a higher level of the goods that our industries produce. Similarly, we must enhance the mutual support that must be consistently developed between the Government and the private sector.

Our exporters should first realize, however, that they have what it takes to be world-class. And then they must correspondingly act to turn out products that can compete effectively with those of other countries.

#### **Self-reliant exporters**

The improvements we need are increased productivity, meeting delivery schedules, complying with international standards, and assuring better quality control. Not only do we have to produce more; we must also ensure that everything we export is accepted. We must be certain that buyers find our products reasonably priced with zero defects.

Attaining world competitiveness calls for an attitudinal change on the part of producers who continue to depend on incentives and other forms of protectionist support from the Government. Our exporters should increasingly be able

to strike out on their own, rely on innate talents and resources to attain greater efficiency in production, and generate by themselves the bonus effects they usually expect the Government to subsidize.

Only through these self-reliant efforts can our exports effectively fuel the country's economic growth and sustained development. Thus, in the pursuit of economic progress, our export promotion initiatives should equally share the spotlight with our attraction of direct foreign investments.

But even as I call on our exporters to be more self-reliant, I would also like to assure you that the Government will continue to provide support for those who, by their performance, merit such support. The commitment is two-way, for mutual benefit.

In the light of this commitment the Philippine Export and Investment Development Council was created, composed of Government and private-sector representatives, to oversee the implementation of our export and investment development plans, to generate a greater degree of people's support for our joint initiatives, and to improve our competitive edge in the global marketplace.

Our efforts are bearing fruit. The Salomon Brothers' latest credit update this month on the Philippines cited 12 key economic indicators that validate the Government's confidence that we are, indeed, on the way up.

These include our commitment to economic reforms, which are reflected in our pursuit of the goals of Philippines 2000, rising economic growth rates, relatively low inflation, improved management of public finances, high foreign-exchange reserves, a more manageable debt burden and, of foremost importance to you, the growth of our exports at the rate of 14 percent this year, which exceeds the 11.5 average growth from 1983 to 1992.

### **Pride in our exports**

These are the same standards of performance that the Government is pushing hard to attain. Although we have not yet fully realized the results of these endeavors and there are still many obstacles to overcome, I dare say we are achieving better positional advantage in many fields.

The Golden Shell Awards were formerly confined to small and medium-sized firms, but in 1989 their scope was expanded to include exporters with large-scale operations. This year we honor eight manufacturers of high-end quality handicrafts for export and one engaged in electronics.

We are, in my view, taking the right direction. Our garments and textiles, gifts and houseware products that have been long-time winners of the Golden Shell Awards are among the categories that the Philippine export development plan aims to make more competitive.

Most of our exported handicrafts are no longer of the low-end rudimentary kind. These have evolved into higher value articles which combine the artistry of Filipino hands with state-of-the-art technology. Yours has become a sophisticated, scientifically-oriented industry capable of improving products continually.

### **Proactive and creative**

But we cannot concentrate on handicrafts alone. We must continue to innovate in anticipation of the changing times. We must remain proactive and creative if we want to keep pace with our vigorous neighbors in East Asia.

On this same occasion last year, I asked whether we should aim to become an exporting nation or merely a nation of exporters.

The trend in our exports provides the answer. We are on track right now. But we must never lose sight of our goal to lead the pack with our exports. We must settle for nothing less than the gold medal of export excellence. We must continue consolidating our gains and integrating our efforts to be a winner as an exporting nation.



The prestige of the Golden Shell Awards has risen to greater heights from the narrow beachheads of domestic demand to the high seas of the international market.

I congratulate and thank the Golden Shell awardees tonight and all past awardees for heeding my call for global excellence.

*Source:* **Presidential Museum and Library**

Ramos, F. V. (1994). *Time for takeoff : the Philippines is ready for competitive performance in the Asia-Pacific*. [Manila] : Friends of Steady Eddie.

## **Speech of President Ramos at the third Conference of ASEAN Information Ministers**

**Speech  
of  
His Excellency Fidel V. Ramos  
President of the Philippines  
At the third Conference of ASEAN Information Ministers**

[Held at Heroes' Hall, Malacañang, December 16, 1993]

### **Sharing information**

OVER the past 26 years, we have labored together in ASEAN to identify our common aspirations and interests within the context of man's universal search for peace, progress and brotherhood.

Today, with the dismantling of forces and power blocs that had kept the world in a state of anxiety and conflict, we are witnessing rapid changes that are transforming not only the global political landscape but also the systems that affect agriculture, business and finance, trade arrangements, people's lifestyles and even our own world of communications and information.

### **ASEAN's formidable potential**

We all belong to the most economically dynamic region in the world—whose combined population of 350 million spreads over more than three million square kilometers of land and water and offers tremendous potential for continued growth and sustainable development.

This great force is the foremost instrument through which we can advance our common concerns for more vigorous economic development, for the spread of human knowledge and information, for closer social cohesion and for greater cultural growth and harmony. In short, we have a formidable potential to help raise the level of human achievement not just in our national communities but throughout the world.

I am delighted to learn that the working committees on information and culture have been meeting regularly and have been pursuing our objective to strengthen the collaboration of our national working groups. This confirms that we can attain progress only by pooling our expertise and resources in a spirit of mutual interdependence.

Nowhere is this truer than in the field of information and communication, particularly in what has been described as the "electronic highways" of radio and television, which reach out to the remotest corners of the world and affect just about every aspect of the social, economic, political and cultural life of nations. The revolution in information and communications technology has broadened human horizons to a degree unheard of in the past.

### **The coming of the Pacific Age**

Because of this vast potential to conquer the once formidable barriers of geography and time, race and culture, we must redouble our efforts to ensure that this revolution in technology will result in providing the poor and underprivileged—the teeming masses of humanity that make up close to one half of our region—with the resources and access to the fruits of progress.

In the near term, the ASEAN information ministries must speed up the implementation of key projects such as cultural program exchanges, workshops for television broadcasters and for news and public affairs programs, inter-ASEAN news coverage, and documentaries on investment opportunities.

As you map out information strategies for the long term, ASEAN should expand its regional concerns and interests to include new exigencies that the advent of the coming century may bring.

The recently concluded Conference of the Asia-Pacific Economic Cooperation offers untold possibilities for information exchange and collaboration as this affects human development and progress.

Our ASEAN ministers and leaders should take full advantage of the fact that trade and investment within Asia and the Pacific are weaving a new pattern of human and commercial relationships. The development of the Asia-Pacific Rim countries depends on their ability to promote more open trade and investment in the area and to increase cooperation on issues that require regional solutions.

The reported agreement on GATT as of yesterday ushers in even brighter opportunities for expanded world trade which must be pushed by all—through cooperation on high-tech information.

Of vital importance for ASEAN is the preparation of key economic database for use in national policy formulation by governments. Such database will not be completely useful unless it considers such factors as our interaction with other regional groups like the North American Free Trade Agreement and the European Union.

For our part, I am proud to state that the Philippine Government is moving toward the institutionalization of an integrated and comprehensive database that would enhance the collation, analysis and dissemination of information.

### **Information and progress**

Clearly information exchange is a catalytic force that enables human societies and nations to understand the changes taking place in our world. These rapid developments all over the world should be assessed by effectively using relevant information, thereby speeding up the attainment of the sustained progress that we all seek.

The following are vital considerations:

First, we must view such changes, as well as future developments, as something that is not separate from the mainstream of human evolution. Information is no longer the exclusive prerogative of a particular social or economic class. In our time it has become the patrimony of all, regardless of class, creed or color. It should, therefore, reflect as comprehensively and as accurately as possible the broad spectrum of society's concerns, including those in the remotest communities.

Second, information should also relate to culture and the environment. Their preservation should merit the highest concern of the peoples and governments of ASEAN. Once lost or destroyed, our cultural heritage and the environment may never again be replaced. Neither must they be sacrificed purely for political advantage or material profit.

### **Vehicles of friendship and understanding**

Third, all information policies, programs and strategies must serve as effective vehicles of friendship and understanding. They should, therefore, contribute positively to the development of human brotherhood. We must redirect our goals and programs to fulfill the innate desire of our peoples to know more about one another, to appreciate better our shared history and culture and to benefit mutually from the assurance of a peaceful and orderly world community.

Fourth, all endeavors related to information should provide us with a higher perspective of what we seek to achieve not only in specific material terms but also in the realm of values, in assessing the impact of events on the quality of life, and in determining our roles in the universe. Material progress becomes, in the end, meaningless if it brings no moral and spiritual fulfillment to the individual.

It is my fervent hope that this Third Conference of ASEAN Information Ministers will result not only in a triumph of socioeconomic development and scientific advance, but also in the institutionalization of the spirit of cooperation,

friendship and understanding among the peoples of ASEAN and the world. May your conference enrich and raise the quality of life in ASEAN.

*Source:* **Presidential Museum and Library**

Ramos, F. V. (1994). *Time for takeoff : the Philippines is ready for competitive performance in the Asia-Pacific*. [Manila] : Friends of Steady Eddie.

**NATIONAL GOVERNMENT PORTAL – EDITED AT THE OFFICE OF THE PRESIDENT OF THE PHILIPPINES UNDER COMMONWEALTH ACT NO. 638**

**Speech of President Ramos on the 58th Anniversary of the Armed Forces of the Philippines**

**Speech  
of  
His Excellency Fidel V. Ramos  
President of the Philippines  
On the 58th Anniversary of the Armed Forces of the Philippines**

[Delivered at Camp Aguinaldo, December 21, 1993]

**Back to basics**

THIS YEAR we have a real reason to celebrate this foundation day of our Armed Forces.

Thanks to your courage, devotion to duty and self-sacrifice, the internal armed threats to our country have been dramatically reduced.

Political stability has been restored—clearing the way for our country to pursue unhampered its arduous struggle toward economic growth and social development. The Armed Forces must continue to provide the shield behind which self-sustaining development can take place.

**Mission of the Armed Forces**

Friends and comrades of the AFP, your concurrent mission is to provide the protective shield behind which our economy can grow, our democracy can become meaningful to every Filipino, and our people can enjoy the good life and the dignity they deserve.

Last week I approved the Cabinet Cluster “E” recommendation for a 17-day suspension of military offensives against the CPP-NPA-NDF starting today as an important aspect of our observance of Armed Forces Day. We extended the suspension to allow everyone throughout the land to enjoy the holiday season. I am certain that this comes as a welcome development not only for the protagonists in the field but also for all our countrymen in the remotest corners of the entire archipelago.

We recognize, however, that in our pursuit of a just, lasting and comprehensive peace, much remains to be done. We certainly cannot achieve this without the cooperation and support of the citizenry and all others in the peace process.

Although the benefits of the improving situation in the countryside are now felt more than ever, the Government must remain ever vigilant in its responses to continued internal threats and risks. To this end and in consideration of certain logistic constraints, I have authorized the extension for one more year, up to December 31, 1994, of the retention by the AFP of the primary responsibility for maintaining internal security, with the Philippine National Police in a supporting role.

**Internal reform**

The restoration of political stability has enabled us to look ahead with clearer focus on the future. We have devised a strategic framework—which we call “Philippines 2000”—to set our country on the road to newly industrialized country status by the turn of the century.

Our vision is to wipe out material poverty from among the majority of Filipinos.

Today, as you know, more of our countrymen (in percentage terms) live in poverty than do Indonesians, Chinese or Thais.

“Philippines 2000” is also a vision to empower ordinary Filipinos so that they can take control of their future and realize the full potential of their lives.

The goals of “Philippines 2000” are eminently possible. These we can attain for ourselves and our children if we are steadfastly united. We need stability so that we can turn our attention to economic growth without being distracted by rebellion, crime and violence.

Over the next few years, the AFP must prepare to take full responsibility for our own defense against external threats.

Toward this goal, the AFP leadership must direct the steady modernization of the major services. This means the AFP must once again focus its training and orientation on the basics as a prelude to modernization. More than ever, it must emphasize discipline—whose foundation is the recognition of the supremacy of civilian authority and respect for the rule of law— and the intensified professionalization of the officer corps.

Internal reform must continue in every aspect of AFP activity. Most vital of all is the task of strengthening the chain of command and raising the efficiency of every unit to the maximum. One lingering problem here is the *barkada* mentality that compounds our problem of tightening discipline among small units of the AFP.

Esprit de corps—the spirit of mutual loyalty, mutual pride and mutual support that binds every fighting unit in the accomplishment of its mission—you must extend beyond the level of the platoon, the company, or even the battalion to the entire organization and to the national cause that the AFP serves.

### **Modernizing the AFP**

An important constitutional reform was the separation of police functions which had previously been integrated into the AFP’s functions for more than 40 years. The Constabulary has now become the civilian national police, and the AFP has moved closer to the conventional tri-service model of the professional military establishment.

Modernizing the AFP must focus on developing this tri-service mode. Modernization will call for a slight reduction in the size of the regular army—to make it a highly mobile force with enhanced capability to deploy its units fast, to support them as they fight, and to maintain command and control over field units through effective communication links.

As for the territorial reserve forces deployed in their home-regions—the Citizens’ Armed Forces Geographical Units-modernization will mean greater central control, stricter discipline, and better supervision of these units by our special forces teams.

Whenever necessary, the professional core of the new army shall be strengthened by mobilizing our reserves for training and active duty. Our program to integrate more closely our reserve force into our defense organization starts with a national registration of all reservists next year.

The modernization of the Navy must be given priority and steadily pursued because of its capital-intensive, technological and long-term nature.

For the Air Force—we shall be acquiring new flying assets on a modest scale. As vital auxiliaries to our air defense—we shall also need a dependable air defense radar and early warning system.

### **The AFP as a civic institution**

Modernization also means more intensive and systematic training of the reserves—according to the constitutional concept of a citizen armed force.

Modernization must be anchored on the principle of self-reliance. We can no longer depend on continuing security assistance from the United States, and we have only limited funds for modernization. The AFP leadership must ensure that expenditures are made judiciously—with planning and forethought toward a cost-effective program.

Let me turn to the AFP's role as a civic institution. As a true citizen armed force, our AFP must be a teacher—and a model—of civic responsibility.

We are all familiar with the AFP's role in socioeconomic development and nation building—in support of the civilian agencies of Government and the private sector. You have done well in road-building, in schoolhouse construction and in rescue and relief during calamities.

By your courage, devotion to duty and self-sacrifice, you of the Armed Forces have given our country much of the political stability it needs to develop economically.

As you rededicate yourselves to national protection and nation building on this day, may you be encouraged in your endeavors by Government's support and the Filipino people's trust in your collective faithfulness and commitment.

Keep up this covenant with our people—a covenant of solidarity, under a regime of freedom and democracy. This is the challenge before us all even as I say to you: "Keep up the good work—and carry on!"

Finally, let me make the announcement I know you have all been waiting for. I did not come here today empty-handed.

### **Priority concern**

I am delighted to announce the fulfillment today of a promise I made sometime ago on a subject that is of utmost importance to the welfare of our men and women in the uniformed services of both the AFP and the PNP.

This is a priority concern shared by the national leadership and most members of our legislature who have long sympathized with the plight of our soldiers, policemen and jail guards, firemen and others who constitute the core of the Armed Forces and the National Police. I speak of those who keep the peace and maintain order in our communities and who secure the nation.

For many years now, Government has been unable to adjust the salary rates of our uniformed personnel to a standard level comparable to that of their counterparts in the civilian sector of Government. The uniformed services received their last pay increases in 1987, while their civilian counterparts enjoyed salary raises in 1989.

Therefore, as I have recommended in the 1994 General Appropriations Act, and as therein authorized in the conference committee report, I hereby direct the Secretary of Budget and Management to carry out Phase 1 of the three-year program to increase the pay of military, police, fire service and jail management personnel beginning January 1, 1994.

The amount required, estimated at P3.2 billion for uniformed personnel of the Armed Forces of the Philippines, the Philippine National Police and others in the uniformed services of the Department of Interior and Local Government, has now been made available and shall be drawn from the Compensation Adjustment Fund and other sources authorized in the 1994 budget.

As the initial increase under Phase 1 and in accordance with the joint recommendation of the Secretary of National Defense, the Secretary of Interior and Local Government, and the Secretary of Budget and Management, I have approved the salary raises proposed by them.

### **Socialized approach to salary adjustments**

This is based on a socialized approach, whereby the personnel at the lower brackets of the enlisted and officer levels shall receive more in absolute increases. On the average, enlisted and nonofficer personnel shall receive an additional P800 a month in base pay adjustments, while officers shall receive an additional P700 a month. The adjustments are also applicable to and effective for the retirees.

Let me make it clear also that civilian workers in the national Government can also expect new adjustments in their allowances, also effective in 1994, pending the passage by Congress of a new Salary Standardization Bill, which is now being pursued in both houses of Congress. I say to our partners in the legislature, let us pass the Salary Standardization Amendment as soon as possible—the sooner the better.

These modest increases for the uniformed services are but a token of what they deserve. We hope we can add a little more decency to their lives and ease the burden of poverty for many of them, especially those with big families. It is the least that a grateful nation can do for the men and women in the ranks, on whom we rely in times of crisis, calamity and conflict.

*Source:* **Presidential Museum and Library**

Ramos, F. V. (1994). *Time for takeoff : the Philippines is ready for competitive performance in the Asia-Pacific*. [Manila] : Friends of Steady Eddie.



**NATIONAL GOVERNMENT PORTAL – EDITED AT THE OFFICE OF THE PRESIDENT OF THE PHILIPPINES UNDER COMMONWEALTH ACT NO. 638**

**Speech of President Ramos during the Cabinet Strategic Planning Workshop**

**Speech  
of  
His Excellency Fidel V. Ramos  
President of the Philippines  
During the Cabinet Strategic Planning Workshop**

[Delivered at Heroes' Hall, Malacañang, December 28, 1993]

**Time for takeoff**

THIS WORKSHOP comes at a time when we must look forward not just to the beginning of another year but, perhaps more significantly, to the start of the second quarter of my Administration. Thus, although in the course of the day you took stock of what the Government has accomplished during the past year, our looking back to guide us where we are going should really extend to the past one year and a half as the first quarter of my term as President.

By this reckoning, it means we have gone one-fourth of the way and this leaves us three-fourths more to achieve our goals for our country and people.

**Laying the building blocks for development**

In this initial quarter, we have laid in place the building blocks necessary for sustainable development.

We have restored political stability, and the best manifestation of this is the bright prospect for lasting peace. As we have brought various rebel groups to talk rather than fight, we have in effect created the atmosphere that is most essential for economic growth: reconciliation and unity among our people, and stability in the eyes of international observers.

We have formulated our economic vision and initiated the reforms that should set our country in that direction. We must pursue our priority legislative proposals in close collaboration with Congress. The package of fiscal measures we seek should lead to recovery, if firmly implemented. Industrial centers are rising around the country, and the economy is geared toward regional and global competitiveness.

We have built a national consensus for reform as we have reached out to the legislature for closer working relationships and to the sectors of society for setting national priorities. At the same time, we have been strengthening our democracy as we continue to develop “people empowerment” in both the economic and political sense.

All these have restored optimism in our people and it is our duty to sustain that hope for the future.

**Gearing up for an economic surge**

Expectations are high that a surge in the economy will take place next year because of the constancy of indicators necessary for steady growth.

We have stabilized the monetary and fiscal situation. Proof of this is the renewed international business and financial confidence as shown by increased actual and prospective investments, as well as an oversubscribed

international bond flotation. We may even claim that the Philippine stock market is probably the most bullish in Asia.

We have substantially solved the crippling power crisis and eliminated brownouts that have brought about untold miseries. And our political situation has never been as stable — the rebel groups are coming to the negotiating table.

In order to fulfill the expectations of our people, we must be aggressive and innovative in finding timely measures that prevent as well as solve problems. Let us husband our scarce resources so as to invest adequately in physical and human infrastructure.

We can increase the Government's resource base by collecting the right taxes on time, particularly from individuals and corporations that have been the most notorious tax evaders. In fact, this can be the most feasible and most practical of all possible solutions. In doing so, we will also send to every citizen the clearest signal about the Ramos Administration's determination to enforce the law without fear or favor.

Let me enumerate now the main thrusts that we should follow if we want to seize the opportunity for a surge in the economy next year.

#### **Indicative agenda for 1994**

First, we have to sustain the gains achieved in the peace process so that we can put an end to our internal armed conflict and in the campaign to uphold the rule of law so that we can reduce to the minimum, if not totally eliminate, corruption and criminality.

Second, we have to attain greater discipline in the management of our fiscal resources, through better coordination of policies, programs and projects and the proper and timely implementation of flagship development plans, streamlining of Government operations, enhanced private-sector participation through various build-operate-transfer schemes, privatization of Government projects and facilities, and further improvements in the overall effort. We also have to encourage more private investments by continuing the policy reforms we have started, and making our export products and services more globally competitive.

Third, we have to upgrade or provide vital infrastructure support in order to mobilize private-sector participation and investments. In this way, we will be able to shift resources for the timely delivery of basic services and for direct intervention in poverty alleviation.

Fourth, we will continue to intensify our environmental protection and conservation programs to ensure that our development is sustainable for future generations.

Fifth and last, we will continue to make the bureaucracy more responsive in terms of service and transparency. Besides streamlining our operations and providing for better conditions, we have to improve the salaries of our employees to boost their morale and increase productivity and efficiency. We have to carry out the devolution program by synchronizing Local Government efforts, as well as its revenue and expenditure programs, with those of the national Government. At the same time, we must enforce stronger accountability of Government officials to include a more vigorous campaign against graft and corruption. We also have to ensure the implementation of reforms in the Government corporate sector.

I have listened with keen interest to the list of priorities each cluster has drawn up. Let me tell you this early that it is against this list that I will measure the performance of every one of you next December.

Still, I expect all of you to continue making your own set of "must-do" tasks throughout the year that are aligned with the top priorities we have set to assure you of getting good marks.

The serious business you engaged in today might have dampened your holiday spirit; but we really do not have much choice. The tasks ahead of us cannot wait and we must set our minds on how best we can perform those tasks before the New Year sets in.

*Source:* **Presidential Museum and Library**

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**NATIONAL GOVERNMENT PORTAL – EDITED AT THE OFFICE OF THE PRESIDENT OF THE PHILIPPINES UNDER COMMONWEALTH ACT NO. 638**

**Speech of President Ramos upon signing of the 1994 General Appropriations Act**

**Speech  
of  
His Excellency Fidel V. Ramos  
President of the Philippines  
Upon signing of the 1994 General Appropriations Act**

[Delivered at the Ceremonial Hall, Malacañang, December 30, 1993]

**Gearing up for growth**

I AM PLEASED to sign on this day Republic Act 7663, the General Appropriations Act for fiscal year 1994, which reserves funds for the operations of the government and other purposes from January 1 to December 31, 1994. Let me express my gratitude to the senators and congressmen, especially Senate President Edgardo Angara and House Speaker Jose de Venecia, the chairmen and members of the House Committee on Appropriations, the Senate Finance Committee for their dedicated efforts toward the early enactment of the national budget for 1994.

**A budget that supports our development goals**

The expeditious passage of the 1994 General Appropriations Act manifests the collective desire of the executive and the legislative branches, as expressed in the legislative-executive summit last August, to map out a national budget that truly supports the country's development goals, one that will catalyze long-delayed and much needed social services and economic growth. The budget that I sign today, therefore, embodies Government's commitment to provide a better life for our countrymen by alleviating individual, family and national poverty.

I view the congressional revisions of the original budget proposal, which I submitted, as a rightful exercise of the legislature's power over the purse conferred on it by our Constitution. But I note with deep concern the net effect of the amendments that have been introduced by our colleagues in Congress. Somehow, the overall configuration and complexion of the General Appropriations Act have been substantially altered owing to realignments and special grants of budgetary authority.

Several departments and special-purpose funds suffered hefty cuts, as compared with the original proposal, and some benefited from net increases. Similarly, Congress authorized several agencies, particularly State universities and colleges, to use their income for various purposes. It also expanded authority to use savings and imposed congressional restrictions or limitations on appropriations in many instances.

**Curtailing the delivery of essential services**

These cuts, realignments and special provisions, I strongly believe, would make very difficult the implementation of major Government programs and curtail the effective delivery of essential public services. For example, funds for irrigation, water supply, the rebel returnee program and export promotion are being cut at this critical point of our expected economic takeoff.

When the need of the hour is cohesion, continuity and consistency in program planning and implementation, any major departure from the original 1994 socioeconomic thrusts would only derail our development efforts. With severely reduced resources in several key areas, we cannot possibly maintain the gains so painstakingly achieved in 1993, much less speed up the momentum of economic growth.

I have tried to use my veto powers sparingly as a matter of policy. The record of the past 18 months proves this. However, for the reasons I have stated above and in the national interest, I have decided to exercise my constitutional prerogative to veto or otherwise qualify several items in the Appropriations Act approved by Congress.

Specifically:

***On budgetary realignments:*** release and disbursement of increases in the appropriations of certain offices, programs or projects due to budgetary realignments made by Congress shall be subject to executive approval.

***On budgetary augmentation by use of income:*** I am directly vetoing new special provisions, introduced in the 1994 budget, which authorize the use of income and the creation, operation and maintenance of revolving funds.

Regarding some old and long existing special provisions on the use of income and the creation of revolving funds, I am allowing agencies previously authorized to use incomes to continue using them in accordance with their special provisions.

***On expanded authority to use savings:*** I am directly vetoing new special provisions that treat savings as new appropriations or as a new funding source for the payment of fringe benefits and pensions.

On special authorization given certain agencies to use savings to grant allowances and incentives to their employees, all agencies of Government shall be guided by the provisions of Section 8, Article 9-B of the Constitution.

***On restrictions/limitations on the release or use of certain appropriations:*** I am directly vetoing those provisions that would violate the terms of contracts or covenants, or impair certain programs, or discourage private-sector participation.

I am, however, allowing implementation, under certain conditions, of those provisions that involve the proper administration of funds.

On appropriations for debt service: Much as I agree with Congress in its desire to reduce the debt burden, I am directly vetoing the special provisions on debt-service payments that disallow the use of funds for the payment of liabilities of the Central Bank Board of Liquidators.

***Other Presidential vetoes:*** To forestall probable dissension and disillusionment in many sectors of the Government service, I am also directly vetoing the following:

Special provisions on the Department of Public Works and Highways engineering and administrative overhead, as this would impose an overhead of five percent or even more;

And special provisions on the use of services of instructors in the National Manpower and Youth Council, as this may be mistakenly construed as legislative authorization for the Council to grant honoraria allowances.

The rationale and specific reasons for all of the above veto and qualifying actions are fully explained in my veto message to Congress, which will be separately transmitted.

### **The flagship system: judicious use of resources**

To actualize, at the least expense, our shared goals as determined in our recent multisectoral people's economic summit, the executive branch has devised a new system whereby public expenditures will be given priority so that our scarce resources will be spent on programs and projects that will have the most favorable impact on the economy, the alleviation of poverty and the delivery of basic services. I refer to the "flagship" system, which the

Cabinet adopted during its recent deliberations on our social services and economic thrusts for 1994, particularly the Core Public Investment Program (CPIP).

How will this flagship system work? Under this plan, we shall select projects from the CPIP, based on certain key criteria, that should be completed ahead of the others. These projects will be given full budgetary support to ensure their expeditious implementation. If so warranted, additional funding beyond the budget limit for the concerned Department will be considered to complete the flagship project.

During the last week of 1993, the Cabinet finally selected the flagship projects for top priority treatment. These I will personally champion to provide focus, direction and timeliness.

Necessarily, the projects we will champion are those that are “doable,” with the highest impact and widest public support. These could be in housing, communications, school-buildings, transportation, water conservation and supply, highways, power, agricultural productivity, irrigation, environmental protection and other high-priority projects in the social sector identified under the Medium-term Philippine Development Plan. Flagship projects are considered “first among equals” of the 400 or so projects under the CPIP.

#### **More solid growth for 1994**

The year is now coming to a close, and from all key indications we can expect a significant upturn of the economy of about 2.5 percent of GNP for 1993. That should be enough to set the stage for more solid growth of at least 4.5 percent at the end of 1994. We expect this growth to pick up steadily year after year as we approach the year 2000.

In closing, I again extend my heartfelt gratitude to the leadership of Congress, most especially to the House Committee on Appropriations and the Senate Committee on Finance, for the timely passage of the General Appropriations Act for calendar year 1994.

I appeal to the sense of cooperation and understanding of the legislative community so that the effective partnership that we forged from the beginning shall continue to be based on the national interest and the people’s welfare, and will remain so and even be enhanced in the future.

On the part of the executive, from national down to the lowest Local Government unit, we commit to our people the judicious and productive use of the resources authorized in Republic Act 7663.

After all is said and done, the most important result expected shall be that we did not fail our people, because we restored our beloved Philippines to its rightful, respected place in the community of nations.

*Source:* **Presidential Museum and Library**

Ramos, F. V. (1994). *Time for takeoff : the Philippines is ready for competitive performance in the Asia-Pacific*. [Manila] : Friends of Steady Eddie.

**Speech of President Ramos on the 107th anniversary of Labor Day Speech  
of  
His Excellency Fidel V. Ramos  
President of the Philippines  
On the 107th anniversary of Labor Day**

[Delivered at the Ninoy Aquino Stadium, May 1, 1993]

**Empowering  
workpeople**

**our**

*MGA KAPATID, sa dulo ng aking tenure of office sa 1998, ang aking hinahangad ay magkaroon ng per-capita income of at least US\$1000. The incidence of poverty by that time should have gone down from more than 50 percent to 30 percent. And the economy should have grown by an average of 7.6 percent annually. Investments should have risen from 22 percent of gross domestic product to 30 percent. Unemployment shall have gone down from 10.3 percent to 6.6 percent.*

*Ang isa pong maaaring pasalubong para sa inyo sa pamamagitan ng aming biyahe sa Tsina at sa Hong Kong ay ating nakikita, mga kapatid, ang increased job opportunities dahil sa ang Tsina at ang Hong Kong ay nagbigay ng kanilang commitment na sila ay mag-i-invest and they will trade more with the Philippines, resulting in more Philippine sales and exports to those two places.*

**Three preconditions to national development**

But there are three preconditions to the attainment of our vision, which is the vision articulated by Representative Ernie Verceles, TUCP President Quito Mendoza and LACC President Chairman Danny Edralin, just now and these are the following:

First, there is a need for *cultural rebirth and moral recovery* that tap and exploit the wellsprings of Filipino values such as love and peace, and the *bayanihan* spirit of *pagkakaisa at pagsasama-sama*, resourcefulness and enterprise—values that must be revived to supplant the culture of confrontation and divisiveness, which today, unfortunately, still permeates Philippine society.

The labor movement should now set aside its internal differences for the common good, not necessarily to fall in line under one ideology, but to unite under the common aims of development so that it may become an instrument for the economic and social empowerment of our workers. The ongoing review of the Labor Code should reflect the constitutional preference for cooperative, voluntary and integrative approaches in labor management relations and the administration of labor justice.

The second precondition is the *expansion of the economy* through the dismantling of monopolies and cartels that control prices or limit the delivery of services, the privatization of Government corporations without ruling out the possibility of sharing their management or ownership with workers, and liberalizing trade to enhance competition.

Our economic development will not be advanced at the expense of workers' rights. Nor do I subscribe to trickle-down economics, which you do not want, where the workers would be the last to enjoy the benefits of economic growth. Instead, let us promote industrial peace from which all parties and the nation itself would profit.

**Twenty measures for development**

Our vision is for each one to play a definite role discharged by a competitive, efficient, highly skilled, motivated and disciplined workforce, whose improved standards of living are premised on higher levels of productivity.

The third precondition is a *solid infrastructure base*, including an expeditious solution to the power crisis, if need be, with the exercise of my special powers.

I assure you I will not hesitate to use the powers under the Electric Power Crisis Act in order to speed up the solution to our power and energy problem.

To achieve all of these, I have programmed 20 specific measures to be undertaken without delay. And I have already signed the directive concerning these measures, which now must be carried out by various departments and agencies of the Government, as well as the proposals for legislative action:

1. For workers displaced by the power crisis, I have authorized the establishment of a one-billion-peso loan to be sourced from the reserves of the State Insurance Fund, from P438 million, to be made available immediately.

2. I have instructed the Housing and Urban Development Coordinating Council (HUDCC), chaired by Dionisio de la Serna, to review the home lending programs of the key housing and funding agencies so as to make decent housing accessible to workers.

3. I have also instructed the HUDCC to expand the national shelter programs coverage to include dormitories in strategic areas such as in industrial estates to enable workers to live near their work stations at rentals below market prices. For this program to succeed, I call upon the employers to support the Government housing program to enable the workers to become homeowners more easily.

4. On health care, I have instructed the Department of Labor and Employment (DOLE) and the Employees' Compensation Commission to effect immediately the establishment of industrial clinics.

5. For overseas workers, I direct the DOLE to speed up and expand the implementation of livelihood, credit and housing programs through the assistance of the Overseas Workers Welfare Administration. I also direct the DOLE to set up industry boards for the protection of the rights of overseas entertainers.

6. Effective immediately, employee compensation pensions shall be increased by 10 percent. This increase is expected to benefit close to 20,000 pensioners with disbursements amounting to P13 million for this year alone and another P78 million in the next five years. At the same time, supplemental allowances for disabled workers shall also be increased to P575 while funeral expense benefits shall be increased to P10,000. The increase in supplemental allowances and funeral grants will total some P6 million in 1993 and P56 million in the next five years. These increased benefits will not require a corresponding increase in the workers' and their employers' contributions to the system.

7. I am also authorizing the grant of an additional P10 million from the President's Social Fund for the workers' fund to be used to support livelihood programs of organized workers. And I have here a P5-million check for the Kaunlaran ng mga Manggagawang Filipino, Incorporated, which has been identified as the project director for this livelihood fund but which would be answerable to the entire organized labor movement. *Ito po ang* first installment *pa lamang*; there is still P5 million coming to you.

8. I direct the DOLE, the National Economic and Development Authority (NEDA), the Department of Budget and Management, and the Department of Education, Culture and Sports to work out a scheme through which the equivalent of 5 percent of our GNP would be invested in human resource development.

9. I also direct the DOLE immediately to submit to me an employment and manpower plan to complement the NEDA'S Medium-term Philippine Development Plan, making sure that the interests and the concerns of the labor sector are intimately included and attended to in the DOLE portion of our Medium-term Development Plan, so that we can redirect and upgrade the use of our human resources from their agricultural pattern to an agro-industrial one.



*Ito po ang aming isang mahalagang obserbasyon sa Tsina.* That from an 80-percent agricultural estate workforce, they have now converted half of that farmer group so that now they have 40 percent in industries, 40 percent remaining in agriculture and 20 percent working in services. *At iyan po ay isang susi ng pagpalaganap ng ekonomiya ng probinsiya ng Guangdong sa Tsina:* Guangdong Province, which has a population just like ours of 65 million but a land area of only 178,000 square kilometers, or roughly 60 percent of our land area of 300,000 square kilometers. And yet they are able to produce a GNP in that province alone, as big as the GNP of the Philippines itself. And so that is one thing that we must redirect and ensure in the future, which is a restructuring of the pattern of our workforce from agriculture to a balanced agro-industrial workforce.

**10.** Even as I commend the DOLE'S special program for employment of students, starting this summer under their summer youth work program, I also direct the DOLE to carry out a national program to help the youth make effective career choices as early as possible to the limit of their potentials.

**11.** I also call on the employers to establish training fund accounts subject to guidelines to be drawn up by DOLE within the tax-incentive scheme in the Labor Code.

**12.** Effective today I have authorized the grant of additional compensation of P500 a month to be paid to public-school teachers with salary grade up to grade 25 and to the uniformed personnel of the Philippine National Police up to the rank of superintendent and the uniformed personnel of the Armed Forces of the rank of lieutenant colonel. And to the rest of our Government personnel an additional allowance of P500 not subject to GSIS, HDMF premiums and income-tax deductions pending its formal integration into the basic pay of such personnel in the future.

**13.** A review of the Salary Standardization Law covering civil service employees is already under way. And I have given the review committee 30 days from now to submit to me its recommendation on the upgrading of salaries in the public sector.

**14.** To speed up the administration of labor justice, I direct the DOLE and the NLRC to address immediately the backlog of cases by effecting the immediate reassignment of labor arbiters in regions that have an overload of cases. I want the NLRC to reduce its case backlogs by 60 percent by the end of this year and to make its docket as current as possible within two years from now, or else.

**15.** I hereby instruct the DOLE to formulate the appropriate legislative proposals for the possible grant of a 10-day sick leave and the increase of the five-day service incentive leave for workers in the private sector. And on the implementation of absentee voting for those away from their voting centers including overseas contract workers, soldiers on duty away from their stations, as well as all others who cannot be present even if they want to in their voting centers on Election Day.

All of this is on top of the ongoing review of the Labor Code, which should result in proposed revisions to it, which I can certify to Congress as soon as possible.

**16.** Shortly, I will also be certifying to Congress four major bills concerning (a) the grant of paternity leave, paternity for those that are married, (b) the portability of SSS and GSIS membership and benefits, (c) the establishment of an unemployment welfare program and (d) the elimination of exemptions from SSS coverage.

**17.** I have already nominated several representatives to Congress from the labor sector. And I am happy that several of them have already been confirmed by the Commission on Appointments. But there are some more who were not considered. Maybe, they were not scheduled, but certainly they were not rejected by the Commission in the last session. I intend to renominate those that there were not considered at that time. And so again, I call on the Commission on Appointments to confirm as soon as possible all those remaining from the ranks of labor who have not yet been confirmed.

**18.** I shall appoint your representatives either as members, observers or advisers, depending on what is provided by law, to the NEDA Board, the Energy Regulatory Board and the Monetary Board as soon as possible.

And I have also authorized, through Executive Order 21, the deputation of labor organizations in monitoring prices of basic commodities and the appointments of labor representatives to the price coordinating councils of both local and national levels.

19. Last February I sent to the Senate the recommendations of the tripartite Industrial Peace Council for the ratification of four international labor organization conventions on social security for migrant workers and seafarers. And these are the Equality of Treatment Conventions Nos. 19 and 118, the Maintenance of Social Security Rights Convention No. 157 and Social Security Convention No. 165, so that Filipino workers abroad can enjoy benefits similar to those granted to nationals of other foreign countries.

20. Finally, for today, in recognition of workers' contributions to the development program of our country, I am instituting an annual Presidential Merit Award for outstanding workers who qualify according to criteria and guidelines to be determined by a tripartite body which I shall appoint.

### **Productivity and global competitiveness**

Fellow workers, your empowerment is the most important component of our program for people empowerment—because it is from the enlightened and protected workers from whom we hope to get the increased productivity that will help move our country forward in our quest for economic progress. But worker empowerment can only be realized through the collective responsibility and implementation of all sectors. Productivity and global competitiveness are our goals.

And so, let us now act together to achieve these objectives. Otherwise, we shall end up still the Sick Man of Asia instead of the economic dragon that we aspire to be by the year 2000.

*Source:* **Presidential Museum and Library**

Ramos, F. V. (1993). *A call to duty : citizenship and civic responsibility in a third world democracy*. [Manila] : Friends of Steady Eddie.

**Speech of President Ramos on Ulat sa Bayan on the First Quarter of the Presidency, January 3, 1994**

**Speech  
of  
His Excellency Fidel V. Ramos  
President of the Philippines  
On Ulat sa Bayan on the First Quarter of the Presidency**

*[Delivered at the Ceremonial Hall, Malacañang, January 3, 1994]*

**Springboard for 1994**

SINCE the beginning of my term, I have set my vision for a better life for the ordinary Filipino and a dignified place for our beloved Philippines in the community of nations.

Toward this vision I placed the highest priority on putting our house in order. Together we formulated a social pact to speed up development—one that would enable us to enter the coming millennium as Asia's next newly industrialized country. I initiated programs and reforms in five critical areas to set our course toward that direction.

First of all, we had to establish political stability. We had to create the atmosphere conducive to economic growth: cooperation and teamwork at the level of the national leadership; reconciliation and unity among our people; peace and order; and internal security nationwide.

**Laying a firm political foundation**

Today, we can claim that we have laid down a firm political foundation for sustained socioeconomic development through our accomplishments in four areas: the peace process, a social pact for development, tough actions against warlordism and criminality, and the reimposition of the death penalty.

The prospects for a comprehensive and lasting peace have never been so bright as now since the secessionist movement and the Communist insurgency began a quarter century ago.

The series of talks between the Government and the Moro National Liberation Front has resulted in the temporary cessation of hostilities in the South. With the resumption of the negotiations in Sulu recently, I am optimistic that this will lead to a mutually agreeable settlement so we can finally have peace and unity in Mindanao.

Our talks with the military rebels have progressed to the substantive phase. I am confident that this trend shall continue and the issues raised by both sides will be resolved to the satisfaction of all.

Government's initiatives toward the Communist guerrillas have also progressed, although many substantive issues remain to be resolved. But both sides are in constant touch, working out the preliminaries for formal negotiations.

**A national consensus for reform and unity**

By reaching out to the legislature for closer and better working relationships, and to the sectors of society for setting national priorities, we have built a national consensus for reform and political unity. Our dialogues and consultations culminated in the holding of a multisectoral People's Economic Summit and the forging of a Social Pact for Empowered Economic Development (SPEED). The closer-than-usual cooperation between the executive and the legislature resulted in the passage of 12 out of 19 priority Administration measures needed to push the country forward.

At the same time that we were talking peace and building consensus, we initiated bolder moves against criminality.

Through the Presidential Anti-Crime Commission under Vice-President Joseph Estrada, we succeeded in breaking up many notorious syndicates involved in murder, kidnap for ransom, bank robbery and carnapping.

Under “Oplan Paglalansag,” we disbanded some 450 private armed groups and collected more than 24,000 loose firearms, most of them still serviceable.

Our drive against criminality also netted several abusive officials who flouted the law with their money, goons and influence. Some mayors who had become local tyrants, as well as some high-ranking military and police officials, have been haled to court to account for their misdeeds.

More than anything else, the restoration of political stability has enhanced the economic climate. Today the Philippines is perceived to be back on its feet, back in business, at the gateway to Asia and the Pacific.

### **Renewed confidence in the economy**

Interest, inflation and foreign-exchange rates have remained stable. We have regained the confidence of the international finance community as evidenced by oversubscribed international bond floats by the Government and private sectors. According to Cable News Network (CNN), the Philippine stock market is now the most bullish in Asia with a performance of more than 150 percent. The signs that our financial stability has been restored have been recognized by the World Bank and financial and investment firms such as Salomon Brothers and Merrill Lynch.

Advance reports point to real GNP growth in 1993 of 2.5 percent, and still going up.

Despite a record 32 destructive typhoons in 1993, agriculture and fishery production established a growth rate of 4.7 percent. And there was a decline in the country’s unemployment rate from 10.2 percent during the first seven months of 1992 to 9.4 percent for the same period in 1993.

The improvement in the economy last year can be attributed to a number of factors.

We established an independent monetary authority, the Bangko Sentral ng Pilipinas, and pursued liberalization of the financial sector and our banking policies.

We achieved functional unification of the Manila and Makati stock exchanges under the Philippine Stock Exchange, making available large sums of capital funds for investment.

We broadened the tax effort while reorganizing and computerizing the Bureau of Internal Revenue to improve its operational efficiency.

We aggressively pursued the development of regional growth centers nationwide, led by Subic Bay’s well-preserved industrial infrastructure and ecology and highly skilled volunteer workers, and promoted economic growth in the countryside, outside Metro Manila.

We encouraged small and medium enterprises and livelihood projects by cooperatives, and provided credit support for the little entrepreneurs through the Land Bank of the Philippines and the Small Business Guarantee and Finance Corporation, thus fueling business activity at the family and community level.

We pursued a policy of diplomacy for economic development in order to promote Philippine products and services, and to mobilize external resources for investment, trade and tourism. The East ASEAN growth area, centered in Davao City, is the result of our joint endeavors with our ASEAN neighbors.

### **Resolved power crisis and other infrastructure inadequacies**

Perhaps the single most important factor that contributed to our economic recovery is the substantial easing of the power crisis.

We will continue installing new power capacity for our long-term requirements and speed up the development of indigenous power sources, especially geothermal, coal, hydroelectric and natural gas, so as to lower eventually the cost of power to consumers.

Similarly, we carried out the infrastructure program, which provides access to regional growth centers, tourism development sites and agro-industrial areas.

We opened up the telecommunications sector through Executive Order 59, which requires interconnection among backbone and local operators, and Executive Order 109, which mandates new players in the industry to provide local telephone services, even in remote areas.

We built or improved some 1,000 kilometers of national roads, 10,440 meters of bridges and 115 roadways. We started the improvement of arterial roads connecting the growth centers in Mindanao and the Metro Manila skyways project, to include the return of the management of the Metro Manila toll roads to the Philippine National Construction Company for more efficient maintenance and operations.

We started the upgrading of our rail transport through the PNR mainline rehabilitation and commuter line projects. We pursued the implementation of the Light Rail Transit 3 project to alleviate traffic congestion in Metro Manila.

We completed the development of facilities in 24 provincial ports and installed 25 additional lighthouses nationwide to ensure safety of sea travel. We speeded up the modernization of our air navigational facilities in Subic, Cebu, Davao, Zamboanga and the Ninoy Aquino International Airport.

### **Enhanced and protected environment**

In line with the Philippine strategy for sustainable development and our commitments under Agenda 21 of the 1992 Rio Summit, we institutionalized mechanisms for environmental conservation and protection.

Our efforts against environmental degradation were bold and unprecedented. We closed Smokey Mountain as a garbage dumpsite and adopted a national plan for waste management to guide Local Government units in preparing and carrying out their programs.

We initiated a Clean and Green campaign, to be highlighted by a nationwide contest to determine the cleanest—and dirtiest—Local Government units in 1994. We started cleaning up the Pasig River and the Laguna Lake area, heightened awareness on zero waste management in our cities and capital towns, and encouraged the use of lead-free gasoline toward cleaner air.

We adopted the National Integrated Protected Areas system to conserve and protect our ecologically important areas, especially watersheds, mangroves, coastal and bay marine preserves and national parks.

We pioneered the conversion of expired timber license agreements into community-run reforestation cooperatives, as in Eastern Mindanao. We intensified efforts to prosecute illegal loggers and to reforest denuded areas. So far the lives of some 222,000 upland dwellers have been uplifted through integrated social forestry programs.

We have started to develop some 450 agrarian reform communities and pushed agrarian reform at a pace faster than that of the two previous administrations combined.

### **Streamlined bureaucracy for greater responsiveness**

The bureaucracy's organization and operations were continually streamlined to make it more responsive to the needs of the people and serve as an effective machinery for development. The measures we have carried out reduced the available positions in the national Government by 4 percent, or roughly 42,000 positions, a reversal of the 9 percent natural historical growth rate a year. The strict implementation of the attrition law generated savings from personal services amounting to almost P2.0 billion.

The Local Government Code devolved powers and functions to Local Government units, including personnel, materials, funds and other assets. The Autonomous Region in Muslim Mindanao changed hands through relatively peaceful elections and is now geared toward development and reform.

The fact-finding committee on behest loans under the Presidential Commission on Good Government completed the investigation of 419 cases, of which 133 were classified as having a positive basis for eventual prosecution. Of these, 75 have been transmitted to the Ombudsman for preliminary investigation.

At the bottom line of all our efforts was this paramount concern: improving the lives of our people.

### **Bottom line: poverty alleviation**

Our poverty alleviation programs focused on protecting our people from material deprivation while generating jobs and assuring steady incomes in the countryside.

We gave special attention to the depressed communities and the 19 poorest provinces through the Presidential Council for Countryside Development. Of equal importance is the Presidential Commission to Fight Poverty, which promotes opportunity and self-reliance among neighborhood groups, households, families and the marginalized sectors that are among the poorest of the poor.

We used the President's Social Fund to support 700 priority projects in depressed areas worth P350 million. This went to schoolbuildings, potable water systems, livelihood projects and training programs.

We emphasized credit delivery in the countryside, primarily through cooperatives, and encouraged Grameen-type lending programs. With the cooperation of most of the members of Congress, we pursued the implementation of the Land Bank's "5-25-70" program to retain and leverage more funds for countryside projects.

To address the issue of the housing shortage, the Government's shelter program made a commitment to build 1.2 million units by 1998, with financial assistance for developers from the private sector. A determined move was started to relocate squatters into more wholesome resettlement areas. A dramatic example of political will was the transfer out of the PNB-GSIS financial area on Roxas Boulevard of more than 34,000 squatters to the Paliparan resettlement site in Dasmariñas, Cavite.

We have carried out high-impact and innovative national health-care programs with special emphasis on disease-prevention such as national immunization against common diseases, and the accessing of micronutrients to enrich the common *tao's* diet.

### **Global competitiveness**

To make our products globally competitive and our workforce more productive, we carried out reforms to open the economy further, allowing productive forces to develop fully, and democratizing structures and systems.

We took measures to liberalize and deregulate such critical areas as telecommunications, foreign-exchange transactions, finance and banking, education, and industry. Government's role was minimized in areas that could be more effectively handled by the private sector.

We pursued privatization aggressively, resulting in the sale of large Government assets of their substantial components such as PHILSECO and Petron. We have intensified the campaign to dismantle monopolies and cartels injurious to consumer welfare in manufacturing, in the financial system, in the service industries and wherever else they are found.

We prepared our industries for global competition by realigning our foreign-policy thrusts toward economic growth. Similarly, we initiated the progressive reduction of tariffs and quantitative restrictions on imports, the liberalization of the entry of foreign investments and the creation of a more liberal trade regime as reflected in our support for the ASEAN Free Trade Area and the General Agreement on Tariffs and Trade.

All of the foreign visits I made to our neighbors in Asia and the Pacific, to include the United States, served to recapture the strategic role of the Philippines as a gateway to this dynamic and fast-growing region. These visits strengthened bilateral relations comprehensively, with special attention to increasing levels of bilateral trade and investment.

Let me outline now the main thrust that I intend to push in 1994, so as to seize the opportunity for a sustained surge in the economy in the years ahead. This year, Government operations will be characterized by building, peace-making and modernizing. On the other hand, action, problem-solving and innovation will be the yardsticks I hereby set for Government performance at all levels, in all departments and agencies.

Five major commitments the Government will fulfill in 1994:

#### **Indicative agenda for 1994**

First, we will protect the gains achieved in the peace process toward insurgents so that we can finally put an end to internal armed conflict. As a parallel effort, we will intensify the campaign to uphold the rule of law so that we can reduce to the minimum criminality and corruption, with those in officialdom—the scalawags in uniform and rogue officials—as priority targets.

We will maintain industrial peace and take better care of our overseas contract workers.

Second, we will impose greater discipline on the management of our fiscal resources, through better coordination of policies, programs and projects. We will focus on the thorough and timely implementation of flagship programs and projects, the streamlining of Government operations, the enhancement of private-sector participation by way of various build-operate-transfer schemes and privatization of Government projects and facilities, and the further improvement of our tax effort. We will encourage more private investments by continuing the structural reforms we have started, and make our exports and other industries more globally competitive.

Third, we will provide vital infrastructure support in order to mobilize private-sector investment. In this way, we will be able to shift more Government resources toward the provision of basic services and direct intervention in the reduction of poverty. For this purpose, I once more appeal to Congress to give priority attention to the proposed new banking law, the amendments to the build-operate-transfer law to authorize direct negotiation for large infrastructure projects, and the liberalization of the Foreign Investments Act to open up new investment areas.

Fourth, we will continue to carry out our environmental enhancement, conservation and protection programs to ensure that our development will be sustainable for the benefit of future generations. The programs will encompass our land, sea and air environment as well as our biodiverse ecology.

#### **The flagship system: effective use of resources**

Fifth, we will continue to make the bureaucracy more responsive, more transparent and more service-oriented. Besides streamlining our operations, we will upgrade morale and welfare programs for public servants to increase their productivity and efficiency. We will firmly carry out the devolution program under the Local Government

Code by synchronizing Local Government efforts, as well as its revenue and expenditure programs, with those of the national Government. At the same time, we will enforce greater accountability and self-reliant performance by Government officials at all levels. We will ensure the implementation of reforms in Government corporations.

One final word about our 1994 program.

To actualize, at the least expense, our shared goals as determined in our recent multisectoral People's Economic Summit, the executive branch has devised a new system whereby public expenditures will be given priority so that our scarce resources will be devoted to programs and projects that will have the most favorable impact on the economy, on the alleviation of poverty and on the delivery of basic services.

I refer to the "flagship" system which the Cabinet adopted during its year-end deliberations on our social services and economic mobilization thrusts for 1994, particularly the Core Public Investment Program (CPIP).

We will select projects from this program, based on certain key criteria, that should be completed ahead of the others. These projects will be given full budgetary support in 1994 to ensure their expeditious implementation.

Necessarily, the flagship projects we will champion are those that are "doable," with the highest impact and widest public need for their completion. These could be in housing, communications, schoolbuildings, transportation, water conservation and supply, highways, power, agricultural productivity, irrigation, environmental protection and other high-priority activities in the social sector. Flagship projects are considered the "first among equals" of the 400 or so projects under the CPIP.

### **Flagship projects**

From all key indications, we can expect a significant upturn of the economy of 2.5 percent GNP growth for 1993. That should be enough to set the stage for more solid growth of at least 4.5 percent by the end of 1994. We expect this growth to pick up steadily year after year as we approach the year 2000.

I have listed the following as flagship projects, among others:

North and South Expressways to include skyways and supporting Light Rail Transit and railroad systems,

Metro Manila tollways, including the C-5 circumferential road,

Metro Manila-Clark-Subic expressways,

Development of Subic and Clark bases,

Batangas City port,

Northern Luzon development area and connecting highways, seaports and airports,

Marikina-Infanta (Quezon) corridor,

Angat-Umiray transbasin water project,

Pampanga floodway project,

Bicol tourism projects,

Eastern Visayas rural air service,



Leyte geothermal power interconnections to other islands,

Cebu-Bohol integrated area development,

Panay Agro-Industrial Center,

Integrated steel mill project in Northern Mindanao,

Mindanao arterial roads, to include the Marawi City-Cotabato City highway,

Zamboanga industrial estate and,

The East ASEAN growth area centered along the Davao-South Cotabato-General Santos corridor.

In the first quarter of my term, we put in place the elements necessary for national development to take off. Because of these, expectations are high that a surge in the economy will take place this year.

We have gone one-fourth of the way and we still have three-fourths more to go in our uphill marathon. Many pitfalls will have to be overcome. But I am confident that our collective accomplishments and reforms during the past year and a half have restored optimism and pride in the Filipino. It is our common duty now to work together to realize that vision and hope in the near future.

*Source:* **Presidential Museum and Library**

**NATIONAL GOVERNMENT PORTAL – EDITED AT THE OFFICE OF THE PRESIDENT OF THE PHILIPPINES UNDER COMMONWEALTH ACT NO. 638**

**Speech of President Ramos before the Liga ng mga Barangay, the First National Congress**

**Speech  
of  
His Excellency Fidel V. Ramos  
President of the Philippines  
Before the Liga ng mga Barangay, the First National Congress**

[Delivered at the Philippine International Convention Center, January 12, 1994]

**Empowering  
our barangays**

THE LAST TIME I spoke to you as a group was during the Barangay Awards last year, when we honored and gave recognition to the outstanding Punong Barangays and Barangay Kagawad of the Philippines. At that time I emphasized the crucial role of the barangays in our drive toward political stability, peace and order, poverty alleviation and progress, and the goals of “Philippines 2000.”

Today, I reiterate to you my belief that our national vision of Philippines 2000 can only be realized by first attaining peace and progress in our barangays—the smallest political units of our government and the ones nearest and closest to our people’s hearts and minds.

**Local autonomy and decentralization**

The Local Government Code, now in its third year of implementation, directs you to enforce the laws, maintain public order, ensure the delivery of basic services and promote the general welfare. Your Sanggunian can raise revenues, build and maintain barangay facilities and infrastructure, draw up your budget and authorize expenditures, among others.

The powers of the barangay today under the Code are actually so large, and incomes have dramatically increased that many barangays now have more income than some municipalities. I hear that many city and municipal councilors are in fact not running anymore for re-election; instead they would rather run as Punong Barangay in the next round.

Indeed, the estimate of the total share of the barangays from the internal revenue allotment for this year is P15.2 billion. That is a lot of money in your collective hands. And that means a lot of power to do good—or evil.

Local autonomy and decentralization shall be meaningless and futile unless the barangays themselves use their new powers, responsibilities and resources to solve their own problems, deliver the services to their constituents and respond to their communities’ hopes and aspirations.

Our vision of a peaceful and progressive Philippines calls for unleashing the productive energy of every Filipino, wherever and whoever he is, and mobilizing this energy for local welfare and national progress. And this requires that the barangay government be strengthened and enhanced; meaningful autonomy and decentralization should prevail; and government power be shared, dispensed and exercised out there in the fields and in the streets of every neighborhood.

**People empowerment at the barangay**

In this assembly, therefore, I urge you to reflect on how you can empower our people in the barangay to help realize my Administration's vision to improve our quality of life, ensure a better future for our children and restore our beloved Philippines to a prosperous, respected status—which is its rightful place—in the community of nations.

Empowering our people requires that we give the masses a greater voice in the way their local communities and their country are run. It also means giving ordinary Filipinos a bigger share in the tasks of achieving political stability, poverty alleviation, peace and order, progress—the whole range of our national development plans.

People empowerment requires three things.

One, communities must have access to natural, physical and financial resources.

Two, communities must demonstrate their ability to use these resources judiciously and productively so that they can develop their own potentials to the fullest, particularly in the protection, conservation and wise use of our environment.

And three, the capability of communities to organize and manage themselves must be enhanced. Capability building means firming up the community's social infrastructure—upgrading people's technical skills and ability to cooperatively manage its own affairs, and to develop its democratic institutions—all these in consonance with our national policies and goals.

In other words, people empowerment means the reorientation and training of ordinary citizens, providing them with the means to be productive and competent participants in our nation's development over the long term.

### **Greater responsibility and accountability**

As I have talked of your powers and resources, let us not forget that the more power the law vests in you, the greater responsibility and accountability you must possess.

Exercise your power with fairness, with prudence, with competence, with the highest ethical standards and with utmost fidelity to the people's trust.

The last thing we need in our country is abusive, incompetent and corrupt barangay officials. I have been receiving complaints that some have become petty tyrants and small warlords in their communities. Let me say this as fatherly advice and as Presidential guidance—we will not allow this to happen and we will punish offenders.

As we become unrelenting in our campaign to make our officials more responsible and accountable to their constituencies, so will we continue to support and reward those who have remained true to their duties and commitments.

Being aware that many barangays are still too poor to carry out their basic functions, I hereby direct the Department of Interior and Local Government, in coordination with the Liga ng mga Barangay, to draw up a comprehensive program of assistance to help develop the capabilities of the poorest and most backward barangays.

I also direct Secretary Alunan to coordinate with other Government agencies and submit to my office an action program on this matter within 30 days.

### **Administration initiatives for the barangays**

Let me now announce my Administration's initiatives for the barangays.

This morning we launch the Piltel-Liga ng mga Barangay telephone program in response to the top problem identified by your league as inadequacy in information dissemination.

Through this nationwide barangay telephone program, residents of our rural areas may soon avail themselves of cellular phones in barangay halls or barangay chairmen's homes to link up with the rest of the nation.

Recently, I launched the Employment Generation Through Countryside Development Program, a multiagency plan under the Department of Interior and Local Government. This program seeks to generate two million jobs nationwide within the next three years, and create more economic development opportunities in the rural areas. I shall formally inaugurate it countrywide on January 22 in Balayan, Batangas.

Very soon the Community-based Physical Fitness and Sports Program will be kicked off. The plans are being drawn up by the Philippine Sports Commission and the DILG, and the implementation will be done by you in the barangays and the other Local Government units under the coordinating umbrella of the DILG. Through this program, we will ensure that physical fitness, sports development and the spirit of competitiveness become an integral part of every Filipino's life.

Lastly, I want your sincere participation in the recently announced "Clean and Green" contest for 1994. This is an important means of measuring your ability to mobilize your constituencies so as to make your neighborhoods pleasant places to live in and an attraction to visitors. This is also a gauge of the effectiveness of your support of our Government's programs, which will serve as a basis for future national assistance in more projects for your communities.

I wish to remind you of your crucial role in our community and national peace and order campaign. Promote unity, solidarity and teamwork among the citizenry, enhance their respect for the law, prevent and deter crime, and support higher authorities in the collection of loose firearms.

### **Philippines 2000 our battle cry**

In summary, my ardent appeal to all of you is that from hereon, all of you should focus your efforts, your minds and your energies on the actualization of our programs toward Philippines 2000.

Philippines 2000 is our battle cry to rally all Filipinos behind the vision and strategy of development and collectively work toward the goals of an improved quality of life for all Filipinos by the year 2000. It is a program to attain political stability and national unity, a positive work ethic by our people, and the commitment of our economic and political elite to the common good. It is a strategy to achieve global competitiveness and people empowerment.

Its goal is to alleviate our individual, family, community and national poverty so that we can truly achieve our shared vision of becoming a newly industrialized country by the turn of the century.

Finally, I congratulate the leadership of the Liga on the ratification of your constitution and by-laws, which I am told you have crafted well. I hope that your Liga will become truly the leadership group and mouthpiece of the barangay—your national advocate for programs for the benefit of your constituents and for the common good. And above all, I want it to become our most active and most effective partner in community development and nation building, leading the march, shoulder to shoulder, with the citizenry: Onward to Philippines 2000!

*Source:* **Presidential Museum and Library**

Ramos, F. V. (1994). *Time for takeoff : the Philippines is ready for competitive performance in the Asia-Pacific*. [Manila] : Friends of Steady Eddie.

**NATIONAL GOVERNMENT PORTAL – EDITED AT THE OFFICE OF THE PRESIDENT OF THE PHILIPPINES UNDER COMMONWEALTH ACT NO. 638**

**Speech of President Ramos at the 25th Anniversary Conference of the Fund for Assistance to Private Education**

**Speech  
of  
His Excellency Fidel V. Ramos  
President of the Philippines  
At the 25th Anniversary Conference of the Fund for Assistance to Private Education**

[Delivered at the PICC, January 20, 1994]

**The knowledge frontier**

I HAVE a sentimental attachment to the Fund for Assistance to Private Education because my late father, then-Secretary of Foreign Affairs Narciso Ramos, helped in its establishment in 1969. As a legislator, he served as chairman of the Committee on Education in the National Assembly before World War II.

In fact I have been surrounded by educators and teachers all my life. My mother, my mother-in-law, my sister Letty, many aunts and uncles and grandfathers from both sides of the family were all teachers, mostly in public schools but many also in private education. And when it was time for me to marry, I of course chose a teacher.

**Importance of human capital**

The more I learn about our country, our people and our world community, and what we must do to develop our beloved Philippines, the more deeply I am convinced that education is the most important tool for our advancement and progress.

Two years ago I had the singular honor to address this prestigious group of educators during the series of dialogues with the “Presidentiables” that the Fund organized on the eve of the 1992 elections. I remember explaining to you then my educational platform. Thinking back to that forum at Adamson University, I believe what I advocated for education then has now become integral to my Administration’s development plan for our country. Education is essential to achieve our shared vision of “Philippines 2000.”

In this blueprint, my Administration aims to attain, by the end of my term in 1998, newly industrialized country status for the Philippines, where even the less privileged will have adequate food, clothing and shelter, and the chance to lead meaningful and productive lives worthy of their dignity as human beings.

We expect every Filipino to feel secure in his person, his income and in the street. We envision annual per-capita income to increase to at least US\$1,000 during my term, the economy to grow by at least 6 percent to 8 percent, and the incidence of poverty to decline to 30 percent of the population from the present 50 percent.

**A good in itself**

A vision, however, is not just a wish list or a slogan or a political plan. To achieve it requires strategic goals, direction, priorities and action programs. In our development strategy and action programs for Philippines 2000, education has an important and central role.

We must always remember that education is an end in itself—a good in itself. Education does not require justification in terms of contribution to personal welfare for the person to seek it. Today the evidence that education promotes economic growth is incontrovertible.

According to the World Bank in its World Development Report of 1992, after two United Nations decades of development, the evidence is clear that education does not only support development but puts other goals of development more easily within reach. A one-year increase in schooling could augment wages by more than 10 percent. In family-owned enterprises in many countries, education appears to be more critical than physical capital. And education can make all the difference between a country's achieving development or not. Let me quote from the World Bank Report on this point:

Education affects productivity and growth through several channels. A better-educated person absorbs new information faster and applies unfamiliar inputs and new processes more effectively. When a new product or process is introduced, much needs to be learned about how it works and how it applies to specific circumstances and environments. In the dynamic and uncertain environment of technological change, more highly educated workers have a big advantage.

Japan's rapid industrialization after the Meiji Restoration was fueled by its aggressive accumulation of technical skills, which in turn was based on its already high level of literacy and a strong commitment to education. Korea's relatively strong base of human capital in the early 1960s speeded its own industrialization.

Given our people's attachment to education, this is the position we would have been in as early as the 1970s, were it not for misguided Government policies and corrupt political leadership.

Now that we have begun to put our house in order, this is the cutting edge we must strive to achieve again.

### **Role of private education**

I shall not speak here of what we are doing in public education, for this is not what the occasion calls for. I will focus only on the role of private education in our drive to recover our competitive advantage as a nation.

I am convinced that we cannot attain our goals without a dynamic private school system. Public education can do much in terms of basic education. But when it comes to higher education, private schools must lead the way.

As things stand, private education already performs an indispensable role in our education system. It accounts for 6 percent of total enrollment in the elementary level, 40 percent in high school and 85 percent in higher education.

The Government cannot replace your sector, particularly when one also considers the strong spiritual thrust of private education. There are so many members of religious groups here—Catholics, Protestants and our Muslim brothers in Mindanao—who attach great importance to value formation. This thrust has always been a strength, not a weakness, of Philippine education.

For the Philippines to advance and attain the status of a newly industrialized country, we must work together—you in the private sector and we in the public sector—to improve the quality of education, eradicate illiteracy and provide the economy with a manpower base—and a woman power base—a people power base—to support accelerated development.

### **Historical commitment**

That human power base has always been our advantage when compared to our Southeast Asian neighbors, with the possible exception of Singapore. Because of our historical commitment to education and culture even during the Spanish colonial era, but particularly since the beginning of the century, we had a head start. In this area, you have been producing millions of highly qualified people.

Today our focus must be on improving on what we are already doing well and on correcting those where there has been a decline in quality. Because of our rapid rise in population and sluggish economy, our educational facilities and capabilities have not been able to keep up with this demand. The quality of training and teaching has declined.

We must address this need with the utmost urgency and concern, because education—I repeat—is our one comparative advantage in the race for development.

Obviously, we can only do this by redoubling our commitment to education—both private and public. Public education must do its work and private education must do its part. Government must take care to harmonize activities so that we move in the same direction, not along different paths.

You in private education are one of the two key pillars of our education system—the public schools being the other. If our private schools, for instance, were to close down simultaneously overnight, no less than 1.5 million college students would be dislocated; half a million teachers would be displaced, and 300,000 nonacademic employees would become jobless. No less than our Constitution provides for government support to private education.

Many complain that, in real terms, government support for private education has been limited, when compared to the substantial support it extends to other industries. I realize the problem, but let me stress that my Administration is committed to effecting improvements in the implementation of Republic Act 6728, or the Subsidy Law, which was one of the major accomplishments of Government during the term of my distinguished predecessor, President Cory Aquino.

### **Policy of liberalization**

Furthermore, to enable private education to grow and develop, the Government is prepared to set aside executive policies and seek revision of laws that stifle the creativity of private schools and curb their flexibility and autonomy. Already our Department of Education, Culture and Sports has addressed this issue by adopting a policy of liberalization that is highly beneficial to private education. Among other things, we have liberalized tuition and lifted the moratorium on the opening of new programs, both of which should lead to increased enrollment in higher education.

A very recent step I have taken in support of private education has been to issue Executive Order 150 amending the Fund's charter. The former veto power of the Secretary of Education, Culture and Sports over the decisions of the Fund's board has been removed, and its decisions will now be based on simple majority rule, thus permitting it to function as a representative group. This liberalization of the Fund was undertaken at the instance of Secretary Fabella himself.

It is the promotion of greater investments in private education that must answer the problem of means and financial support, and not the provision of Government subsidies. Government's greater role lies in helping private schools by improving the environment in which they operate and by aiding them to achieve reasonable profitability so that they can expand and serve more effectively.

One way to do this is to think of education as an industry itself—as vital to national development as transportation, power, telecommunications, manufacturing and agriculture.

Conventional minds are not used to thinking about education this way, but many countries today hold this view.

### **The knowledge industry**

Indeed, it has been fashionable over the past ten years to talk about the knowledge industry—meaning all activities that have to do with providing information and enhancing knowledge, and these include schools and even the media of communications.

In our age of information, knowledge is truly power. Knowledge is what drives modern industries today. And to compete in the world, we must turn to what we have always valued most—education.

We cannot compete on this frontier if we are still a society battling at the onset of each school year over the slightest rise in tuition.

We cannot compete effectively by offering dilapidated schools, even if the teaching force is of high quality.

We cannot compete effectively by offering facilities and instructors not in tune with what is being taught in the advanced world.

In this effort to align our education system with the fast-moving wave of modernization, the Government will lead in mobilizing resources. Because it does not have the resources to invest in a massive way, it will convince private capital to move into education as a winner industry.

This is why once a week, every Wednesday, the leaders of both chambers of Congress, members of the Cabinet and I meet as a task force for resource mobilization—to address the basic need to generate a larger pool of financial and material resources for the nation's priority needs.

I have instructed the Cabinet to move more aggressively into the information and knowledge industry.

It might seem shocking at first, but the future of Philippine education may well lie in opening some aspects of it more and more to market forces, to the play of investments and profits. We may fill the needs of the economy and the country better—not by altruism and Government largess, which are always inadequate—but by the dynamic play of market forces, of capital and gain.

In this scenario, private schools, which dominate higher education, must produce skilled graduates in areas that fill the demands of our national and the world economy. Private schools must offer the programs that are very much in demand in the labor market, both locally and internationally, and are needed to propel the development of our regional growth centers and our winner export industries.

### **Where the needs are**

Our Asian neighbors achieved newly industrialized country status because, more than any other factor, they developed an adequate manpower capability in science and technology. The development of their industry sectors was propelled by a strong workforce of scientists, technologists and technicians. In much the same way, to create the critical mass needed by our country, our schools must develop and expand science literacy and competence at all levels of the education system.

We must do this not because I say so, or Government says so, but because this is where the needs are. This is what our people want to study so that they can gain well-paying jobs and participate in profitable enterprises. And this is where you can expect fair returns for your own investments of time, effort and dedication.

To become a newly industrialized country by the turn of the century, according to one estimate, we need to produce every year a total of 10,000 engineers of various disciplines, 5,000 agriculturists and another 5,000 professionals in other scientific disciplines. In contrast, the need is much smaller for lawyers, accountants and commerce graduates, who represent three of the most crowded fields at present here and abroad.

As long as we educate according to need, we will never be off track. Education thus will move in tandem with our shared vision of Philippines 2000.

### **Timeless ideal**



To return to the theme with which I began: education is a good in itself. But it is also a fact that it can be a great liberator of men and societies. For knowledge enhances people's ability to meet their wants and those of their families by enhancing their productivity. And in enhancing human productivity, education builds dynamic and progressive societies.

This is the timeless ideal we honor today at this silver anniversary of the Fund for Assistance to Private Education. And I have no greater wish than that the Fund will honor our country with many, many more anniversaries of service to our people. In all of this, my Administration will always support you.

*Source:* **Presidential Museum and Library**

Ramos, F. V. (1994). *Time for takeoff : the Philippines is ready for competitive performance in the Asia-Pacific*. [Manila] : Friends of Steady Eddie.

**NATIONAL GOVERNMENT PORTAL – EDITED AT THE OFFICE OF THE PRESIDENT OF THE PHILIPPINES UNDER COMMONWEALTH ACT NO. 638**

**Speech of President Ramos during the launching of the Tax Information Campaign**

**Speech  
of  
His Excellency Fidel V. Ramos  
President of the Philippines  
During the launching of the Tax Information Campaign**

[Delivered at the Heroes' Hall, Malacañang, January 21, 1994]

**A culture of honesty**

WE LAUNCH a nationwide tax information campaign today to maximize our revenue collection before the April 15 deadline for the filing of income-tax returns.

This year it has become crucial, more than ever, that we succeed in this endeavor. For beyond the tremendous material boost that increased revenue collection will give to national development, it will also prove a basic truth that many seem to have forgotten.

And that truth is this: that honest taxpayers and honest revenue officials abound among us, and that their combined efforts can and will uplift this country to the progress it deserves.

Over the past few weeks, this issue of honesty in Government has been drawing critical attention in the media, and within Government itself.

**Let the corrupt beware**

Although it may have proved embarrassing to a few people who were caught off guard, I see no reason why we should not face the question squarely.

It was I, you may recall, who raised the matters of ostentatious lifestyles on the part of Government men and women—particularly in offices such as the revenue and law-enforcement agencies.

I have been acting on reports that had reached me, indicating that some Government officials were engaged in rampant graft and corruption, and were flaunting their ill-gotten wealth in open defiance of the law.

This I can not, and will not, condone. Among other measures, I have already established a new Presidential Commission Against Graft and Corruption to act on administrative cases to ensure that offenders are speedily brought to justice.

Our new death-penalty law also provides for capital punishment in cases of plunder involving the amount of more than P50 million.

Should there be a corrupt official out there who is wondering now just how serious we are about carrying out that provision of law, let me say to him: If we catch you—and we will—you may just be among the first examples we need to prove our point. You will make history in a way you may never have expected.

And indeed, I am thankful to the media for having pursued the issue, because this public clamor for higher standards of integrity can only strengthen my hand in ridding the civil service of its most undesirable elements.

### **Taxes are a public trust**

I must impress on all of us that honesty in government is not a sometime thing. It is not even a matter that we should leave for the media alone to dwell upon.

It should be a civic virtue that we must nourish from within, and defend against all temptation, because, in the very end—and whatever else we do—it is the best thing that can be said for any one of us: “He was an honest man.”

And speaking of our revenue, customs and law-enforcement services, the need for honesty is even more paramount, because our people have entrusted to you their economic lifeblood.

Each tax peso that you collect is a citizen’s investment in good government and a better future. You hold this wealth—and those hopes—in trust.

And surely we must realize that honesty in government will make better government possible.

We need increased revenue collection, because the demands of poverty alleviation and national development are rising formidably. We need a greater tax effort by more effective collection and by broadening the base of taxpayers among us.

We have chosen the path of aggressive and enduring growth, toward “Philippines 2000.” It will be an expensive—but doubtless worthwhile—community and national endeavor.

### **A crucial juncture**

Today we stand at a crucial juncture on that road to sustained progress.

We have just begun to emerge from a brief but difficult period marked by devastating natural calamities, crippling power shortages and political consolidation.

The year 1994 has started with the most encouraging economic indicators we have had in years. Objective—and even previously critical—observers of our economy were united in saying that we had, at last, begun to achieve a turnaround.

Our 2.5 percent growth in gross national product in 1993 may seem modest—but it was a significant achievement in the context of what had gone before and what we had to face.

This time we are out to achieve a target for 1994 of at least 4.5 percent growth in GNP. This we are determined to accomplish by protecting our gains in the previous year while working together more effectively to increase our national productivity—which includes a stronger tax effort.

From our experience in the past several years, we now know that the power crisis was indeed the most debilitating factor in our regular life. This year, with many new regular base-load power projects coming onstream, that problem will be solved in mid-1994—once and for all.

Still, we need other forms of infrastructure and agro-industrial support mechanisms to sustain what we have so painstakingly gained. These include farm-to-market roads, postharvest facilities, schools, housing, water conservation structures, environmental protection measures and other public facilities.

We have put in place policy reforms that will push sustained economic growth. Among these are the liberalization of foreign-exchange transactions, new incentives for investment and vital monetary policies to keep inflation and interest rates within manageable limits, and to energize private capital for productive endeavors.

We are broadening the coverage of our policy of deregulation even further so as to free private enterprises from bureaucratic controls. And we will speed up the privatization of disposable Government assets.

Thus we are handing over to the private sector greater responsibilities in helping us attain the status of a newly industrialized country by the turn of the century.

### **Fiscal support from the people**

But this also means that now, more than ever, we must rely on the fiscal support that comes directly from the people.

Support must come in more concrete terms than favorable opinion polls. Such support must be able to fund our priority socioeconomic programs. Such support must be capable of being translated into equally concrete social services and physical infrastructures that can trigger an economic boom, sustain massive agro-industrial development, create jobs, increase family incomes and reduce poverty.

Such funds, as expressions of public support, should therefore come not only from foreign sources when they could be obtained from us ourselves.

Rather, all Filipinos and resident foreigners who are privileged to earn a decent income in this country should contribute to national development by paying their taxes promptly and honestly.

We cannot continue to howl over the issue of debt servicing or complain about poor delivery of public services if we refuse to do and give our share for community development and nation building.

If we expect good government, then we should pay for it. If the Government fails to deliver, then whoever is at fault should be removed from office and made to pay for his failure.

### **For more responsible taxpayers**

To help carry out this commitment contract you have just presented, the executive branch is giving its all-out support to the Bureau of Internal Revenue in its drive to make Filipinos become responsible and timely taxpayers.

In the light of our current situation and our strategic objectives under our shared vision of Philippines 2000, each responsible taxpayer can be no less than a new hero who, despite the difficulties we now face, continues to meet his civic obligations diligently and religiously.

I am also declaring 1994 as National Tax Consciousness Year.

Its objectives will apply both to the public and to all the branches of government itself. I intend to make it known where the people's taxes go, to hold Government officials more accountable and responsible for their disbursements and applications of the same. By virtue of this commitment of the Government, I encourage greater fiscal support from the taxpaying public.

I am also making available to Internal Revenue Commissioner Liwayway Vinzons-Chato, within legal bounds, the resources of the executive branch for the pursuit of the Bureau's goals. The same commitment goes to all other agencies involved in collection and enforcement.

Commissioner Chato has shown that the Government's tax collection can be made a success only by doing something out of the ordinary, something that had only been done halfheartedly in the past: the strict implementation of tax laws.

### **A right to share**

The people should know they have as much right to have a share in development as they are duty bound to support it.

On the part of Government, we will ensure that every centavo of a taxpayer's money is spent on his behalf, moving us more resolutely toward Philippines 2000.

At the same time, our people must be reminded that they, too, must be part of this culture of honesty we seek to promote.

Graft and corruption are a two-way street, and as often as not, I am sure that financial inducements from unscrupulous individuals have led many a public official to betray his oath of service.

Thus, even as we police our ranks, the people, too, must recognize their responsibility in this mission. Every peso that is paid as a bribe is a peso taken out of the welfare benefit fund of families and children.

But ultimately, it is for us who have been entrusted by the people with their taxes who must set the example.

This is our commitment, and we must go beyond easy platitudes to observe it. As a noted writer once said, "I am afraid we must make the world honest before we can honestly say to our children that honesty is the best policy."

That world begins, ladies and gentlemen, at our doorsteps.

*Source:* **Presidential Museum and Library**

Ramos, F. V. (1994). *Time for takeoff : the Philippines is ready for competitive performance in the Asia-Pacific*. [Manila] : Friends of Steady Eddie.

**Speech of President Ramos at The Economist Second Round Table Conference with the Government of the Philippines Speech  
of  
His Excellency Fidel V. Ramos  
President of the Philippines  
At The Economist Second Round Table Conference with the Government of the Philippines**

[Delivered at the EDSA Plaza Hotel, Shangri-La Plaza, January 26, 1994]

**Join our march  
to progress**

IN MY REPORT to the nation last January 3 on my first 500 days in office, which is one quarter of my six-year term, I said that the elements necessary for national development are now mostly in place, such that expectations are high that a surge in the economy will take place in 1994.

Interest, inflation and foreign-exchange rates have remained stable and they will continue to be so. We have regained the confidence of the international finance community as evidenced by oversubscribed international bond floats by the Government and the private sector.

**The most bullish stock market in Asia**

The Philippine stock market was the most bullish and the best performer in Asia with a performance of more than 150 percent and still going up. The signs that our financial stability has been restored have been recognized by the World Bank and prestigious financial and investment firms in the international arena. In the same vein, the International Monetary Fund has expressed growing confidence in the Philippines.

Advance reports confirm a real GNP growth in 1993 of 2.5 percent and this year we are aiming for 4.5 percent at the least. This goal we will attain, I assure you.

Despite a record 32 destructive typhoons last year, agriculture and fishery production established a growth rate of 4.7 percent. And there was a decline in the country's unemployment rate from 10.2 percent during the first seven months of 1992 to 9.4 percent for the same period in 1993.

The improvement in our economy last year gives me pride and confidence to face you again this year, and I thank Peter Wallace for this opportunity.

But what we have accomplished is not enough. I know we have much yet to do. And I am sure you can help us achieve many of our goals.

**Where we stand**

Let me state again where I stand, where my Government stands.

We believe in an open, fair market; in an outward-oriented policy that integrates us with ASEAN, the Asia-Pacific region and the world.

We believe in a democratic transparent government, one you can confidently deal with; one you can rely on for stable, consistent laws and policies.

Tonight we start two and a half days of enlightenment on the realities of doing business in the Philippines. Although the perception of some of you about the Philippines is not that good, such mindset I would want to correct, and in this I hope the participants in this conference will help correct.

Let me give you two examples of corrective—structured, even—trends taking place.

First, the electric-power situation.

Last year I told you that we were forcefully addressing the challenge of the shortage of electric power and promised you “light at the end of the tunnel” before long.

I am pleased to report to you that by December last year, we had that light, we were down to zero brownouts in our households in Metro Manila. Within 1994 some 800 megawatts of new baseload power supply will be switched on. Between now and June 1994, we can expect an average of just five hours brownouts a month in the Luzon grid and, thereafter, an average of two hours of brownouts a month for the rest of the year. There has been no problem of electric-power supply in Mindanao and the Visayas since mid-1993.

Once we have the major baseload plants in place, and these are being set up according to schedule, we will have the continuing reliability and capacity to guarantee all the power needed by all industries.

Second, a survey done here by *The Economist* intelligence unit of its multinational clients showed very attractive results in 1993: net income after tax (properly paid taxes, I am pleased to note) of 10 percent of sales, return on investment of 37.7 percent, and favorable labor relations and labor productivity.

### **Proof of the pudding**

To promote industrial peace, productivity and competitiveness, the national tripartite conference, consisting of leaders of labor, business and Government, agreed a week ago to structural adjustments unprecedented in our economic life.

The proof of the pudding is in the eating, and it seems our pudding is tasty.

In 1991 we opened up investment in manufacturing to 100-percent foreign ownership. Now we allow 75-year leases of land and I hope to be able to offer you soon “condominium ownership” in industrial estates. We have deregulated foreign exchange and have always allowed full remittance of profits and repatriation of capital.

We are rationalizing and reducing tariffs, as well as removing quantitative restrictions on imports. And we are fully supporting the ASEAN Free Trade Agreement and the forthcoming policies coming from the successful termination of the Uruguay Round of the General Agreement on Tariffs and Trade.

This month the Senate is concluding deliberations to allow us to open up the banking sector (the House has already passed a bill on this), and we will expand the liberalization process for investments, infrastructure development, trading services and the economy as a whole. These thrusts are embodied in an agreed and prioritized legislative-executive agenda for the next three months.

Among the top priority bills agreed to be moved through Congress at this time concern improvements of our laws and policies on build-operate-transfer, foreign banking, foreign investments, alien legalization and citizenship, higher education, science and technology, training in dual technology, development of geothermal energy, housing (National Shelter Act), national health insurance, value-added tax, antipilferage, jurisdiction of lower courts, social security and population stabilization.

We have instituted many other areas of liberalization, such as the accelerated privatization of State assets, and these will be detailed to you in the next few days.

## **Political stability and security**

One area I would like to focus on—because I had been deeply involved in it since our people power revolution of February 1986 and even before—is the enhancement of our political stability and security, and our social cohesion.

Peter Wallace tells me he has now scaled down his coup possibility factor to 0.5 percent. He used to have it hovering around 70 percent. I guess this best reflects our more stable situation now.

We had a smooth, peaceful transition of government power in 1992. We have barangay, or village, elections scheduled this year, and these too will be done in a credible and orderly manner. Constitutional and legal processes, although often hotly debated in Congress and the media, are the rule in our national life. This is our guarantee to you of continuity, predictability and long-term growth under a democratic government.

As we move to the year 2000 and into the new millennium, I see the realization of our country's sustained development as surely as the sun rises in the east every morning.

Perhaps of greater significance to you now is the excellent reputation we have earned for honoring our commitments. If you invested under specific conditions in the past, we will not change those conditions for you. Our laws are prospective, and ex-post facto implementation does not apply.

On your personal safety and security, I want to state categorically that Metro Manila is as safe a city as any of the major cities of the world—if you keep away and avoid the risky districts and situations that every city has. If you still read about sporadic kidnapping cases, I say the days of the criminal syndicates are already numbered—ask my Vice President, Joseph Estrada, for confirmation.

As far as the insurgents are concerned, I am happy to report that they are now being brought to the mainstream of society to become more productive and law-abiding citizens.

The military rebels have agreed to negotiate a peaceful return to society. The Communist Party of the Philippines is now in disarray, split with several squabbling factions that confuse their rapidly thinning adherents. The leaders of the Moro National Liberation Front are talking with Government in peaceful negotiation under an interim cease-fire agreement, and the talks are going well.

## **Our most valuable resource: the people**

With the improved energy and security situations, let me now emphasize one other advantage we have that should further encourage you to our shores: that one concern which is most important for any investor and manager—people.

We can claim with pride that the Philippines has a large skilled, competent and dedicated labor force. You will have little difficulty not only in hiring the people you need but also in keeping them. Besides, English is spoken here, and all over.

We are strengthening this advantage through the dual training system and establishing or supporting more technical and vocational schools. So we will have more engineers than lawyers.

You even have a licensed civil engineer at the top, who dabbled briefly in law studies, but opted for a master's degree in management—that's me. So you can guess where my support lies.

As early as this first month of 1994, you could already glean from our 1994 flagship programs the direction and the determination with which we aim to achieve the expected surge in our economy. The empowerment of our people to make them more capable and productive, and global excellence leading to global competitiveness are our guiding principles.



### **Now's the time to invest**

Last week, we launched a nationwide tax-consciousness campaign not only to maximize our revenue collection and broaden the tax effort, but also to respond to the public clamor for higher standards of integrity in the bureaucracy. I have constituted a Presidential Commission Against Graft and Corruption, under a no-nonsense chairman, to reinforce this drive.

And only last Saturday, we launched “*Kabuhayan* (Livelihood) 2000,” which should generate some two million jobs all over the country in the next three years, particularly in the underground economy and in the underemployed sector. We are developing 15 growth centers in our 15 territorial regions that should be able to absorb our manpower and thereby reduce congestion of our cities and stem the flow of migration of our workers overseas.

Your time to invest in the Philippines has never been better and brighter than now. Take a good look—check your observations with those who have kept faith with us over the years, the old investors and the foreign chambers of commerce. I encourage you to seize the opportunity before others do!

*Source:* **Presidential Museum and Library**

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**NATIONAL GOVERNMENT PORTAL – EDITED AT THE OFFICE OF THE PRESIDENT OF THE  
PHILIPPINES UNDER COMMONWEALTH ACT NO. 638**

**Speech of President Ramos at the Official dinner for Dato Seri Dr. Mahathir bin Mohamad, Prime Minister  
of Malaysia**

**Speech  
of  
His Excellency Fidel V. Ramos  
President of the Philippines  
At the Official dinner for Dato Seri Dr. Mahathir bin Mohamad, Prime Minister of Malaysia**

[Delivered at the Ceremonial Hall, Malacañang, February 3, 1994]

**Neighbors,  
partners**

**relatives,**

THERE is a saying—from my part of Luzon—which sums up my feelings at seeing you again after my visit to Kuala Lumpur last year. It goes:

*“Nagsayaat ti maysa nga gayyem no cabarbaro, ngem nasaysayaat manen no nabayaggen.”* And it means “A friend is good when new, but better still when he becomes an old friend.”

In this spirit, Mr. Prime Minister, may I say “*Mabuhay!* Make our house your own.”

**A defining moment in bilateral relations**

This act of welcome gives us a special gratification, for we are deeply moved also by our keen awareness that this, your visit to the Philippines, is one of the defining moments in the history of the relations between our countries.

The Philippines and Malaysia are the closest of neighbors. Our peoples are inextricably bound together by culture and by blood. Countless numbers of them have for centuries freely crossed what are now our national boundaries. We share the sea that washes both our shores. We are both founding members of the Association of Southeast Asian Nations. We have worked together within ASEAN and on matters of great importance for our countries and for our region.

And yet it is only for the first time since the founding of Malaysia 30 years ago that we are welcoming its leader on an official visit to the Philippines. No one can deny the historic magnitude of such an event. No one can deny the significance of this moment in the history of our relations.

We cannot change history. But we, as leaders, can change its future course. We cannot change the history that tore our countries apart. But we can shape the history that is bringing us together again.

Our common vision, Mr. Prime Minister, has placed the relations between our countries on this new course—bringing us to the threshold of a new era in those relations.

We can truly say this new era began when Mrs. Ramos and I journeyed to Kuala Lumpur one year ago—at the gracious invitation of His Majesty the Yang Di-Pertuan Agong of Malaysia and by the will of the Government which you head.

I wish to take this opportunity to express once again our deep gratitude to His Majesty, to you, Mr. Prime Minister, and to the Government and people of Malaysia for the hospitality extended to us and our delegation during the visit.

On that historic occasion, you and I—and our two Governments—decided to set aside the things that hampered our relationship and, together, grasp and nurture the elements that would enrich that relationship and convert it into a force for the security of our countries, the prosperity of our peoples, and the peace and stability of our region.

### **Possibilities in our new relationship**

On that occasion, we exerted our determined will to transform our relations into a new partnership—a partnership in which the relative significance of the difficulties between us could be more easily resolved.

The efficacy of this approach was demonstrated almost immediately, as the enormous possibilities inherent in our new relationship opened up before our eyes.

Waves of Malaysian businessmen came to Luzon, the Visayas and Mindanao, to Subic and Davao, some putting up substantial investments in our country.

We are gratified by the inclusion of a substantial number of businessmen in your delegation, Mr. Prime Minister, being aware that much of the most substantive forms of cooperation between countries can be carried out only by the private sector. Your mission here is, not least, an occasion for our businessmen to fortify their contacts with each other and to stimulate the formation of ventures between them.

Our own business and industry sector has begun to reciprocate the initiatives of its Malaysian counterparts.

Since my visit to Malaysia, Malaysia Airlines has begun flying to Cebu, and Philippine Airlines between Zamboanga and Labuan. We have intensified exchanges among our parliamentary, cultural and information sectors.

### **Growth area in East ASEAN**

In Kuala Lumpur, we first discussed the idea of a growth area among Mindanao, East Malaysia, and the contiguous regions of our other neighbors in ASEAN. Here in Manila earlier today, we reaffirmed our commitment to the formation of the East ASEAN growth area, which is now on the verge of realization.

In this area, the neighboring peoples of Mindanao, East Malaysia, Brunei Darussalam and Eastern Indonesia—encouraged by their national governments but untrammelled by them—shall continue to reach out to one another across our borders.

Their assets and strengths will begin to complement one another—directly linked by the most modern means of communication and by vastly improved air and sea transportation, goods and capital flowing freely among them.

The potential of such arrangements and activities for the rapid economic growth of the area cannot now be fully imagined. But your visit to Davao on Sunday, Mr. Prime Minister, will highlight in the most vivid way the emerging reality of the East ASEAN growth area.

The Joint Commission we agreed to establish met here in Manila two months ago and charted a wide range of areas for fruitful cooperation—in agriculture and fisheries, in science and technology, in tourism and culture, in trade and industry.

Discussions between our officials should resume as soon as possible on fisheries cooperation in the maritime area to which we have overlapping claims. This would be totally consistent with the spirit of the 1992 Manila Declaration—which calls for cooperative endeavors in the South China Sea and a peaceful approach to the disputes in the area.

Similarly, the Joint Committee on Border Cooperation established by the Joint Commission should be convened as soon as possible, so that the movement of goods and persons across our common border may be more effectively facilitated and regulated.

In sum, Mr. Prime Minister, in just one year Philippine-Malaysian relations have been fundamentally transformed.

### **Impetus to greater cooperation**

The formation of our new partnership conforms entirely to this healthy trend in today's world—toward overcoming disputes and conflicts and the coming-together of peoples and nations.

To be sure, the dissolution of the global divisions has tragically unleashed tribal, ethnic and religious conflicts in some places in the world, particularly in the former Yugoslavia, Somalia, Afghanistan and parts of the former Soviet Union.

But in most of the world, the new tendency is toward a recourse to compromise and consultation and a growing reliance on peaceful economic competition and cooperation for mutual benefit.

Your historic visit to the Philippines, Mr. Prime Minister, has been a fateful occasion for us to give further impetus and stronger momentum to the transformation of our relationship, an opportunity to raise the level of that relationship to a still higher plane.

We have exerted the political will and made the political decision—and it has opened incalculable opportunities for cooperation and partnership.

For it has become increasingly clear that our relationship is based not only on geography, history, and racial and ethnic kinship—although these are of fundamental importance. Our relationship is anchored also on many shared interests.

Both our nations have a clear interest in the strengthening and consolidation of ASEAN and in cooperation among its members, including the expeditious achievement of the ASEAN Free Trade Area. Both our countries wish to see solidarity develop among all ten countries of Southeast Asia—as a vital force for peace and progress in the region—and, eventually, hopefully, within the ASEAN brotherhood.

Both our countries hope the nations of our region will evolve a common vision of regional security. We, therefore, have a mutual interest in the progress and success of the regional security forums that have been established in the last few years at both the Government and non-Government levels.

### **Struggling against protectionism**

We hope to see the countries of East Asia—as a region and bilaterally—develop specific measures to build confidence and trust in security and defense matters. We both urge that the strengthening of East Asia's armed forces be mutually supportive and transparent. And we would like to see Southeast Asia free forever of nuclear weapons—a condition preferably enforced through a future treaty among concerned nations.

Even as we must work together to consolidate the achievements of the Uruguay Round, we have to continue our common struggle against the forces of economic protectionism that remain strong in the world.

We must do so in the cause of global trade liberalization, which is of great benefit to us both, as well as in the promotion of the product groups in which we have a common interest.

Meanwhile, both our nations share a community of interests with the developing countries on the one hand and with the countries of East Asia on the other.

We in the Philippines, therefore, maintain a keen interest in the activities of the Group of Fifteen, of which you, Mr. Prime Minister, remain a moving force. We are one with you too in seeking the early realization of the East Asian Economic Caucus, an idea of which you, too, are the source and inspiration.

In this light, for us in the Philippines, there is no more important relationship than what our relations with Malaysia can be.

*Source:* **Presidential Museum and Library**

Ramos, F. V. (1994). *Time for takeoff : the Philippines is ready for competitive performance in the Asia-Pacific*. [Manila] : Friends of Steady Eddie.

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**Speech of President Ramos during the 92nd Anniversary of the Bureau of Customs**

**Speech  
of  
His Excellency Fidel V. Ramos  
President of the Philippines  
During the 92nd anniversary of the Bureau of Customs**

[Delivered at the Port Area, Manila, February 7, 1994]

**Customs** at **the**  
**crossroads**

IN KEEPING with the spirit of the day, I would like first to commend all of you for your accomplishments in the year just passed.

Judging from your collection of P80.66 billion which exceeded the target by P3.11 billion, the Bureau of Customs indeed fared well in 1993.

Your year-end report says you have attained your objective to facilitate trade by reducing your “container dwell times” in both the Manila International Container Terminal and the port of Manila.

The infrastructure needed to fulfill your commitments in the blueprint for customs development toward the year 2000 is now almost fully in place, particularly as regards your computerization program.

**Plugging revenue leakages**

And your antismuggling campaign, with arrests well over the P1-billion mark, cannot but speak well of the renewed fervor and efficacy of your units.

You have also carried out programs to plug revenue leakages and to dispose of confiscated goods more efficiently.

These include the close monitoring of goods declared at less than \$500, a new and computerized centralized accounts receivable system, the implementation of Executive Order 90 concerning the collection of deficiency duties on imported motor vehicles, control measures in the transfer of shipments, the establishment of a valuation library, and significant reforms in warehousing operations.

The traveling public should also appreciate the marked reduction you achieved last year in clearing passengers at the Ninoy Aquino International Airport from two hours to 30 minutes per flight.

Of strategic importance to the growth of our foreign trade, you have pledged, by 2000, to clear and release all shipments arriving at the country’s ports within 48 hours of their arrival.

Sad to say, these accomplishments notwithstanding, the Bureau of Customs is still generally perceived as a center of graft and corruption. Critics of the Bureau even play down your overshooting of your collection targets by saying that the targets might have been set low in the first place.

**“Flagship of corruption”**

This perception was not helped any by the recent attention heaped rightly or wrongly on the Bureau by Senator Ernesto Maceda as a “flagship of corruption.” The political theatrics and rhetoric we can discount. The charge, however, is a serious one. I have been told that while indeed there is corruption in the Bureau, its level is no longer as much as it used to be.

This much I have to tell you: We should not stop until we get rid of the grafters and corrupt officials and employees in this Bureau. Since this negative image casts doubt also on the honest officials and employees among you, Bureau personnel themselves should do something about it—and soon.

What good is it to be proud that you have exceeded your collection by so many billions of pesos when you are also aware that substantial sums may have been lost by Government to the pockets of the unscrupulous? How can you earn the full respect of your countrymen, especially your coworkers in Government, if personnel receiving meager salaries are able to pursue lavish lifestyles?

This, I can not, and will not, condone. This is among the main reasons why I have been moved to create the Presidential Commission Against Graft and Corruption. Let me now warn you: Should there be anybody out there who would openly defy the law and our code of ethical behavior, I will not hesitate to initiate the investigation so that culprits can be put behind bars.

### **Removing opportunities for corruption**

As far as anyone can remember, the Bureau of Customs has been known to offer many opportunities for corruption. I agree with Commissioner Guillermo Parayno Jr. that the key to minimizing, if not eliminating, corruption in the Bureau is to systematically do away with such opportunities.

Thus I am happy to note that your Customs chief has adopted the strategy to achieve the phased reduction of the level of personnel control over shipments and passengers, since this has proved to be the greatest temptation to commit a corrupt act.

You have my full support for the reduction of such level of personnel control from 100 percent at the start of my Administration to not more than 20 percent by 1998, and to just one percent to five percent by the year 2000.

Still, the basic issue here is that if we have personnel who are honest and decent, they should not succumb to whatever temptation may come their way to commit a corrupt act. The issue of honesty in government should be the crusade of the entire bureaucracy, starting with the highest officials.

I will continue to champion this crusade. This is the surest way that we can all uplift our country to the progress that it deserves.

Beyond the tremendous boost that increased revenue collection will give to our development, we have to face a basic truth that many seem to have forgotten. We do have honest taxpayers and honest revenue officials, and their combined efforts should serve to push our country forward.

So while we continuously adopt measures to improve efficiency in our revenue collection, let us also aim to increase the numbers of those honest taxpayers and honest revenue officials. Better still, let us show our people that the taxes they pay are well spent and go toward public—not personal—welfare. Then and only then can we be sure that all taxpayers will pay their taxes correctly and willingly.

This is why only last month, the Bureau of Internal Revenue launched a nationwide tax information campaign. I authorized the Bureau of Customs to ride on this information drive, and today I ask you to launch your own information and education campaign not only to maximize your collection but, more important, to inform the public of how you propose to do it and to account for where the money you collect goes—all of which must be done transparently. This would be the best way to rectify the negative image many people have of the Bureau.

### **Inadequate tax collection**

Some key members of Congress, especially in the Senate, have been reluctant to pass our proposed tax measures because they think that the Government's tax effort is inadequate. Indeed, we do not have much choice but to improve on our tax-collection efficiency because with a tax effort of only about 14 percent, we are not able to generate more revenues to support urgent programs we need for economic takeoff.

We must remember that the combination of improved revenue-collection efficiency and these proposed revenue measures could have been the better alternative to the PI .00 levy, which in turn triggered the oil price increases on January 28. In other words, had our revenue-generating agencies been doing their job more effectively, we could have avoided all the ongoing difficulties and controversies spawned by the levy.

Whatever the final action of Congress may be on our still pending revenue enhancement proposals and tax measures— and I hope that they will be passed soon—we just will have to increase our revenue collection because the requirements of our programs to ease the poverty of the majority of our population are rising formidably.

### **A moral imperative**

Beyond enhancing the attainment of our material objectives, however, your success on the job is a moral imperative.

We cannot ask our people to make further sacrifices until we have made sure that we have done all we can to pay the costs of development principally from our own internally generated revenues and resources.

It is, again, this moral test that we must pass before the people can appreciate what we have done, and before the people will accept and support what yet needs to be done.

As your President, I can understand why some of our people would feel outraged at having to pay more for their gasoline and their fares, when they see or suspect that some officials are leading luxurious lifestyles far beyond their legitimate means.

I have dwelt on this before, but it bears repeating: as frontline public servants you in the Bureau of Customs are highly visible representatives of Government. The people see you, the people know you, and if you are dishonest, they will not be fooled.

And I can assure you that neither they nor I will be forgiving when conclusive proof of anyone's wrongdoing is finally established.

But finally, my coworkers in Government, it is to your basic sense of integrity and responsible citizenship that I must appeal.

The tasks ahead of us are tremendous. If we are to achieve the goals of "Philippines 2000," then each of us must make no less than a personal commitment to work hard-and work honestly—for the good of all.

As we have asked sacrifices of our people, this is the sacrifice we in Government will have to make ourselves. You shall have to excuse me if it appears that I had come here to take you all to task for the wrongdoings of a few. Nothing could be further from my intentions, and no one could be prouder than I am of your performance under the challenging conditions of the past 20 months.

### **Drawing the moral line**

But if I have to speak to the many to be heard by the few who need to be warned by no less than their President, then we will have achieved something significant today.



We have drawn the moral line: Those who cannot follow can go—and we will make sure that they do.

Again, let me assure you of my faith and confidence in the integrity of the broad majority of the personnel of this much maligned Bureau who, despite the temptations and the risks swirling around them, have given their honest best to the noble cause of public service.

It is for them that we celebrate this anniversary; it is they who have earned our deepest thanks and congratulations.

*Source:* **Presidential Museum and Library**

Ramos, F. V. (1994). *Time for takeoff : the Philippines is ready for competitive performance in the Asia-Pacific*. [Manila] : Friends of Steady Eddie.

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**Speech of President Ramos at the Asian Management Awards**

**Speech  
of  
His Excellency Fidel V. Ramos  
President of the Philippines  
At the Asian Management Awards**

[Delivered at the Westin Philippine Plaza Hotel, February 17, 1994]

**Excellence: the in-thing**

TONIGHT'S OCCASION reminds me of the classic story of the rivalry between an old-name company that made very fine, exquisitely crafted timepieces and a company that made state-of-the-art, technology-efficient watches.

The traditional manufacturer of timepieces had grown—over several generations—very comfortable with his success. He became so comfortable that he began to view success as a naturally occurring quality that was his inherent right. He came to see himself as a mighty, unshakable tower of corporate success that would last forever.

**The march of time**

In the meantime, the new watchmaker, whose name was not very well known, realized he could never convince the market that his products were better than those of his older competitor. And although he could make very accurate watches, his company knew no one would buy them unless the watches were different from—or better than—his competitor's fine timepieces.

So the younger watchmaker changed—literally—the face of watchmaking. Instead of rotating hands pointing at numbers, he perfected a new liquid crystal technology that displayed the time in a small window. This window also showed the date, the day and what year it was. Soon he added an alarm clock that emitted a musical tone. A stopwatch function soon followed.

One would think such an advanced product of precision engineering would be incredibly expensive. But it was not. In fact it was relatively inexpensive.

When he saw these developments, the traditional watch manufacturer chuckled and merrily continued on his way, wondering how long “digital” watches would last. Thus he was startled when he felt the first vibrations as his tower began to shake in the market's breeze.

Then the breeze soon turned cold and became a brutal wind that threatened his classic company's very existence.

**Credibility**

Like that older timepiece manufacturer, the capacity of the Philippines to match the progress of other Asian nations deteriorated so greatly since the mid-sixties that we ceased to be competitive in terms of jobs, investments and export earnings. We were not just poor players, we were no longer players.

The analogy seems to fit. It is often repeated, with heavy lament, how in the fifties we were second only to Japan in the region, and how we slipped down the ladder afterward.

But the story of the watchmakers does not end there. As indeed the story of our people goes on as we now move on more resolutely along the path of growth.

Acknowledging his mistakes was hard for the traditional timepiece manufacturer. It has been hard for us Filipinos as well.

To make his comeback, the traditional timepiece manufacturer looked at the competition. He realized he could never establish a name for high-tech products and that the chances of making a better digital watch were very slim.

But he knew that he could make a more beautiful, more fashionable watch. And so he did. And because he used relatively simple technology to do this, he found that he could change the look—the elegance—of his fine timepieces very rapidly, by always giving his customers something new.

By recognizing the need to establish his own competitive advantage, the old timepiece maker fought his way back. He adopted a credible strategy that exploited a distinct competitive advantage: fashion sense.

### **The road back**

The Philippines also is on the road back. We recently cited the indicators that tell us this is so. Of these indicators, there is one I am particularly proud of. And that is the confidence our Asia-Pacific neighbors are showing in the Philippines.

Before the historic visit of Prime Minister Mahathir bin Mohamad early this month, the Malaysian business community was already among the biggest investors in Subic Bay. And with their Filipino partners, Malaysian corporations are elsewhere taking part in the construction of power plants and irrigation systems, manufacture of computer software, preffabrication of concrete products, and making of aluminum rods.

Japan remains our largest investor, but China, the United States, South Korea, Indonesia, Taiwan, Thailand and Singapore also have made new commitments to expand, invest and conduct a greater volume of business in our communities. Foreign investment and other cooperative arrangements encompassing Mindanao, East Malaysia, Eastern Indonesia and Brunei Darussalam are becoming a reality. All these are critical components of our capacity to reclaim our previous role of 25 years ago.

This is not a role to which we have a natural right: it is a role that we must earn—as a player in Asia's development miracle.

To achieve this objective, there is one key element that must be present among us. That component—as I have said—is you of the private sector who represent the best in Philippine business. We in Government are responsible for ensuring that the Philippine arena is attractive and equitable. It is you who must field the players and teams, score the points and win our games.

### **The playing field**

In his book, *The Decision Makers*, the British management expert Robert Heller describes the seven “ins” to successful strategy development and execution. I would like to borrow them this evening to help me describe the kind of playing field we are putting in place for Philippine business and foreign investors.

**“Investment.”** The first “in” is investment. We had been uncompetitive in attracting foreign investment over the past three decades. Yet without a substantial level of foreign investment, we cannot develop the infrastructure, the jobs, or the world-class export products we need to happen rapidly.

But we are now beginning to see the first indications that we are becoming competitive. With great optimism, I say to our local investors—go for it!

Last year our Board of Investments reported foreign investment inflows of \$522 million, about double the inflows in 1992. And almost half of last year's investments came from Asia. This year we hope to double that volume.

**“Information.”** The second “in” is information. Like those in business, we in Government intend to stay close to our customers, and to give them what they need to achieve our development objectives.

Government will be more responsive at every level of interaction, from the private citizen lining up to obtain tax information to the multinational executive who needs to get his shipments out of customs faster.

To do this, our departments and bureaus are developing regular programs to capture feedback from their principal constituents. And because information should flow both ways, we will also tell our constituents how we are addressing their concerns.

**“Introductions.”** Another “in” is introductions.

We realize that the playing field will never be in perfect condition, but it could be in good condition and it might eventually be in near perfect condition. But it will only stay so if we constantly work to keep it that way.

Regular and frequent fine-tuning and development of Government programs intended to enhance our support of private-sector initiatives are being introduced. Continually enhancing Government programs and incentives, we believe, will provide regular opportunities to sharpen our competitive advantage as a nation.

**“Intensity.”** The fourth “in” is intensity. The Philippines offers unique advantages.

First is our people. Our people are a critical advantage because of their energy, talent, creativity and adaptability arising out of a democratic culture.

Second, we have a superb tradition of producing competent and dedicated young professionals.

I am told that Japanese companies operating in other Asian nations seek out engineers from the Philippines because they are absorptive and generalist in their perspective. This means they are not only responsive to new ideas and new technologies but also skillful enough in adapting them to emerging needs.

Third, there are certain things in which we are simply good, such as in managing others. Throughout Asia, competent Filipino managers will remain an important strategic resource.

We also are very good at publishing and entertaining.

Another thing we do well is create sophisticated software for advanced systems, including software for multinationals.

So we intend to capitalize on these strengths, rather than try to be everything to everyone. By concentrating on these advantages, we can pursue development with greater intensity.

**“Internationalism.”** We now come to internationalism.

I feel that we must learn to compete on a global scale.

Our internalization and internationalization of business standards and practices will lead to the development of new manufacturing technologies, world-class infrastructure and information systems.

Some of you tonight have begun to demonstrate the capacity to compete effectively in global markets. We will look to you to provide models of excellence, and to share your expertise and technology with other Philippine companies that seek to emulate your accomplishments.

For our part, we continue to push for the enhancement of infrastructure, services and relationships needed to capture markets within and outside the Philippines.

**“In-depth.”** We aim to do all these things in depth—with extreme thoroughness and determination.

By so doing, we hope to make certain that never again shall we—as a nation, government or enterprise—take our successes and our blessings for granted. We will discard the notion that our institutions have an inherent right to success.

We will work to succeed, and work hard to sustain success.

### **Do things right**

It seems that for years we floundered in looking for alternatives to development. We were frequently willing to take almost any alternative or model, except the one we knew, ultimately, was the only one that would work. And that is: to do things right.

This obvious alternative, Heller suggests, whether “in or out of adversity, is simply the will to find and to make that decision.”

We have the will, and we have taken the rational and reasonable alternative of pursuing excellence.

The examples of excellence we honor this evening will be the guideposts along our road to sustainable development.

*Source:* **Presidential Museum and Library**

Ramos, F. V. (1994). *Time for takeoff : the Philippines is ready for competitive performance in the Asia-Pacific*. [Manila] : Friends of Steady Eddie.

**Speech of President Ramos during the 1994 Quad District Conference of Rotary Districts 3780, 3800, 3810  
and 3820 Speech  
of  
His Excellency Fidel V. Ramos  
President of the Philippines  
During the 1994 Quad District Conference of Rotary Districts 3780, 3800, 3810 and 3820**

[Delivered at the Philippine International Convention Center, February 24, 1994]

**Rotary's** **call** **for**  
**faith and action**

To Rotary International President Bob Barth, Rotarians the world over owe this year's theme of Rotary International: "Believe in what you do; do what you believe in."

It is a beautiful and stirring theme that hits right into the heart of the Rotary Movement.

One part of it is a call for faith: "Believe in what you do." The other is a call to action: "Do what you believe in."

In my many years in Rotary, I have always been struck by the aptness of the themes Rotary International chooses yearly. Without fail, every theme touches the deeply felt and current concerns of peoples and nations.

**A timely call**

Such is our Rotary theme this year.

It is a timely call to the nations of the world—because of late there has been some loss of confidence in the world community's capability to build a new order of peace and prosperity in the aftermath of the Cold War.

And it is especially apt for us Filipinos—whose resolve may have lately been weakened by political bickering; who have begun to doubt whether we can achieve the goals we set before ourselves for the balance of this century.

This reminds me of a story that went the rounds a few years ago. President Mikhail Gorbachev of the USSR, President George Bush of the United States, and Prime Minister Yitzhak Shamir of Israel met with God, and the deity granted each the chance to ask one question about the future.

"God," asked Gorbachev, "do you think the USSR and the US will ever end their rivalry?"

"Yes," replied God, "but not in your lifetime."

Then Bush asked, "God, do you think we in America will ever see friendship between blacks and whites?"

And God answered, "Yes, but not in your lifetime."

Finally came Shamir's turn. "God," he asked, "do you think there will ever be peace between Jews and Arabs?"

"Yes," said God, "but not in *my* lifetime."

At the time the joke was meant to underline the impossibility of achieving human longings for peace. Yet in less than five years, the joke seems to have become reality. Both the Soviet Union and Communism have collapsed;

black-white relations are taking a turn for the better under Mr. Clinton and—most surprising of all—the Arabs and the Israelis are actually talking peace.

I commend this story to those people—Filipinos and foreigners alike—who are again beginning to despair about our capacity as a nation to meet the development goals we have set for ourselves.

### **The lessons of EDSA**

I commend it to those who preach doomsday messages and continue to see our beloved Philippines as the “sick man of Asia.”

To them I say: Do not underestimate our faith and resolve. If you can’t help, just get out of our way.

That we are talking here of faith and action is appropriate, because we celebrate this week the anniversary of our People Power Revolution in February 1986.

No words are more fitting than Rotary’s theme to describe what took place eight years ago. EDSA is an illustration of what is possible when people believe in what they do and do what they believe in.

To the end of my days, I will never forget that time—not so much because of the part I had in that upheaval, as because of the incredible confluence of forces and events that, in the end, could not be denied.

What began as the action of a few who believed in the lightness of their cause soon became the rising of thousands, then of hundreds of thousands, and finally of millions of ordinary people.

I have seen action in battle, but I never saw so tidal a change in the odds as that which occurred at EDSA. What at the beginning looked to the few hundred of us as almost certain death was reversed in four dramatic days. At the height of the revolt, on February 24, no force, however well armed, could have prevailed against an entire people’s standing up for its civic liberties.

### **Living up to EDSA**

Some of us until now debate what each did or did not do at EDSA: who was present and who was not. This is a mistake. The truth is that at EDSA, Filipinos found heroism in one another. We gathered faith from each other, and the resolve to dare all together. Truly, this was People Power—not a label, but reality.

There are also those who say we have not lived up to the spirit of EDSA. And it is true we squandered some opportunities; more than once, we let ourselves down. But let us not sell ourselves short.

When we examine the record of the past eight years, we find as many achievements as disappointments. Not least of these, surely, is our successful struggle to preserve our fragile democracy under repeated challenge, and our steady effort to restore our economy on the path to growth.

Among the 30 countries which—like the Philippines—threw off their authoritarian rulers in the last half of the 1980s, we are one of the most stable democracies. We have been able to contain inflation below 10 percent and to keep our exchange rate steady. Our economy is well past the stage of painful transition and instability.

And we have adopted a new Constitution, peacefully elected a new set of national officials and devolved political authority to provinces, cities and towns.

Of course, we could have done more. But there is nothing to be gained in wondering what might have been. There is everything to gain by focusing our attention on the work at hand. If we must compare the past with the present, and the present with the future, then let it be on these terms:

That we will do better today than we did yesterday, and that we will do better tomorrow than we do today.

By doing better and doing more—this is how we will become competitive in the world, as an economy and as a nation. This is how we will develop our national capacity for modernization and development. This is how we will fulfill the vision of “Philippines 2000”—by attaining the status of a newly industrialized country by the turn of the century.

### **From revolution to resolution**

Among Rotarians, this message of ceaseless striving for excellence always finds a ready response. And I owe you for the support you have given our programs.

I will never forget that nine district governors of the Philippine Rotary Movement pledged their support for the five priority action programs to achieve “Philippines 2000.” Never before have Philippine Rotarians adopted a unified plan of action in support of government.

One key feature of our celebration of the EDSA anniversary tomorrow is to urge our people to substitute the letter “S” for the letter “V” in the word “revolution”—so that henceforth the EDSA “Revolution” will also read and mean the EDSA “Resolution.” The idea here is to ask everyone to make an individual, family or corporate commitment to make our country a better place to live in.

Tonight, there are three things I would like to ask of you in the Rotary to make as your offering to the memory of EDSA.

First, I call on you as taxpayers to help raise the revenues necessary to move forward our programs of development. May I ask that, when you prepare your income-tax return next month, you be a little more generous—to our country. And please help us urge others, individuals and companies alike, to pay their taxes faithfully.

I assure you this Government will deliver full value for every taxpayer’s peso.

Second, I ask you to create jobs for your communities. With the power shortage now solved, the stock market bullish, with investments coming in, the outlook for our economy is bright. Be active participants in its growth by investing in production. I am pleased to learn of your projects in training young people in crafts like welding, computer processing and the like.

Third, I ask you to continue—with greater vigor—your involvement in community projects. Government by itself cannot solve problems such as garbage collection, traffic control, crime and drug-abuse prevention, or price monitoring without the active help of Rotarians, other civic groups and concerned citizens.

### **Civic responsibility**

Without Rotary Foundation and individual Rotarians, our national Immunization Day last February would not have been possible. Rotary’s success in the Polio Plus Program—which aims to wipe out polio in our country by the end of 1995 (ahead of the world target by ten years)—is a shining example of cooperation between the Government and the sociocivic sector.

We have many reasons for being optimistic about our country’s prospects today. But one reason above all is most striking, and it is this: As a people, we are finally learning that politics is not the only way to become involved in our



public life. In whatever role we play in society, we can positively affect the life of our people and our country. Such is people power at work.

At long last, we Filipinos have realized it takes much more than government—and certainly more than politicians—to deal with what is wrong about our country. Citizens are getting committed. They are rising up to their social and civic responsibility.

This is how it has always been with nations that have crossed the threshold of modernization. Development is not people griping about what Government has not done for them lately. Development is people getting their act together, getting involved and shooting for the moon.

### **Historical reasons for the failure of nations**

The philosopher-diplomat Dr. Charles Malik once enumerated the historical reasons throughout history for the failure of nations. He said, “If only they rose to the occasion; if only they were not overwhelmed by their softness and apathy; if only they overcame their greed; if only they knew what was at stake; if only they had not trampled underfoot the wide and easy way.”

This country has had enough of opportunities that came and went; of tides that rose and fell; of what might have been had we done this or done that.

In this hour of a new challenge, let us cast aside apathy and inaction; let us overcome our private interests; let us seize the moment and win the future for ourselves and for those who will come after us!

*Source:* **Presidential Museum and Library**

Ramos, F. V. (1994). *Time for takeoff : the Philippines is ready for competitive performance in the Asia-Pacific*. [Manila] : Friends of Steady Eddie.

**Speech of President Ramos at the Joint General Membership Luncheon of the Foreign Chambers of  
Commerce Speech  
of  
His Excellency Fidel V. Ramos  
President of the Philippines  
At the Joint General Membership Luncheon of the Foreign Chambers of Commerce**

[Released on February 24, 1994]

**Our** **common** **stake**  
**in development**

AS INVESTORS and managers in this country, you hardly need to be told that the Philippines—having weathered a year of difficulty in 1993—is now facing its best prospects for growth in a decade. The way your own companies did last year, and your plans for this year and beyond, are your best barometer of the national condition.

But the point needs repeating—because if you were to judge from the headlines or from what some of our politicians are saying, you’d think this country is once again in crisis.

**Talking up a crisis**

Fortunately, a crisis—like its antithesis, stability—cannot be produced by talk alone. Politicians may talk all they want; but they cannot talk up a crisis—if the country is stable and sound. Similarly, we can insist all we like that the Philippines has become a magnet for investors. But if the facts are otherwise, then all our dramatics would count for nothing. Businessmen invest not in pie in the sky but in fundamentals.

Perhaps we Filipinos differ so much in assessing where we are today because most of us have our noses too close to the landscape. We can’t see the larger picture.

Certainly that’s what happened in the oil-price controversy. The issue has unhinged our public life—people have been seized by anxiety and panic while demagogues and agitators have had a field day. Lost in the frenzy was the basic case Government laid before the nation: the need to shore up public revenues to fund our development programs and to narrow the fiscal deficit. Government must either increase revenues or decrease its development spending. There is no middle way.

We all need to recognize that, with the progress we have made, we must now dare to do more. Otherwise we could find ourselves back where we started 20 months ago.

**A country much changed**

From your own vantage point, you yourselves can see how much this country has changed, say, over the last five years.

In 1989 you could only own 60 percent of business. Today you can own all of it, except for a few exceptions—and most of those we will soon be removing too.

Five years ago you couldn’t import machine tools, rolling mills, gear-cutting machines, cylinder liners, concrete mixers and pavers, casting machines and equipment, weaving and knitting machines and so on. Today you can import all of these machineries freely.

Today you can lease land for 75 years and take out insurance against political risk.

Up until 1989 there was a pervasive fear of coups—a fear that proved to be only too real in December of that year. At *The Economist* Second Round Table Conference, the session on security elicited very few questions. Security is not an issue anymore.

We can claim—believably—that our stabilization and restructuring programs have created the foundations of macro-economic stability. Investment houses like Salomon Brothers have said as much: The conditions for achieving sustainable growth in this country are now firmly in place.

I need not recite here the well-known economic indicators that show an economy poised for takeoff. It suffices for me to say here that:

- Inflation is down, while investments are up;
- Interest rates have sunk to their lowest in years, while the equity market rose to historic highs in 1993;
- Our debt ratio has declined, while export receipts have moved up;
- And the GNP grew by 2.5 percent in 1993, and should achieve 4.5 percent to 5 percent growth this year.

For your community, these numbers mean increased opportunities for doing business in this country. We already have some of the most liberal laws on foreign investment in Southeast Asia—and we have more to come.

### **Investment opportunities**

My trips to the United States and to various Asian capitals last year were meant to acquaint our friends abroad with the business opportunities we now offer. My meetings with businessmen were invariably fruitful. But the message that the Philippines is back in business hasn't been spread widely enough—particularly to Europe, Australia and New Zealand.

Trade Secretary Rizalino Navarro assures me this is all going to change. He says your chambers will help us in our “mini-ambassador” program to promote investor interest in the Philippines. For this gesture, I thank you. I cannot say often enough that foreign investments are votes of confidence in our future.

We know only too well that confidence-building is not just salesmanship. It's a matter of *credibility*—that we really mean business when we speak of reform; that we're prepared to do all that's necessary to return our country to the way of growth.

Our political twists and turns since 1986—punctuated as they were by calamities both natural and man-made—had generated skepticism even among our foreign friends. But I think we have now succeeded in addressing your concerns.

Let me review some of these concerns.

First, *power*. I came to office with a crisis on my hands, a crisis that required emergency measures and enormous resources. We launched not just a stop-gap solution but a comprehensive power development program. At the height of the power crisis, I promised an end to brownouts by December.

We delivered on that promise.

Even so, we're not yet out of the woods. Reserve power is still precariously low. We still need large, baseload plants to provide reliable and low-cost power.

These plants are under way. By the middle of 1995 we will have more than enough power to serve fully the needs of our growing economy.

Second, *traffic*. As power was a year ago, so traffic is today a major concern of your community—and of everyone living in Metro Manila. It seems odd that I should be devoting time here to this issue. But we have a serious problem here, and every problem is a litmus test for Government.

The first thing we're going to do is train traffic policemen in how to control traffic and maximize traffic flow.

### **Back to driving school**

Second, we will require all drivers—especially jeepney and bus drivers—to go through driving school, where they should learn not only how to drive and obey the rules of the road, but to do it courteously.

I read how some students obtained a license for a blind man—that clearly is part of the problem. We'll accredit driving schools which must adhere to a curriculum we shall prescribe.

Transportation Secretary Jesus Garcia is working out the details of this program. It should ease the situation while we undertake to modernize our arterial road networks. Public Works Secretary Gregorio Vigilar has an ambitious plan. It includes for Metro Manila four of our “flagship” projects:

1. The North and South Expressway skyways;
2. The C-5 Circumferential Road;
3. The Metro Manila-Clark-Subic expressway; and
4. The Marikina-Infanta Corridor.

Within the year we will open the first portion of C-5.

Third, *the method of valuing imports*. I am aware of your concern about the Home Consumption Value method of valuing imports. I will make no unrealistic promises—but we too are anxious to dismantle the HCV.

But, as you've seen vividly, we also have a revenue problem. This compels us to adopt a gradualist approach to the HCV issue. We shall shift initially from HCV to the Export Value method, before fully adopting the Brussels Definition of Value.

### **Reforming the bureaucracy**

A familiar lament of your community is that our bureaucracy takes forever; but I think we've moved some way.

Duty drawbacks and tax credits—something you've complained to me about—can now be obtained in 60 days.

Investment promotional units have been established in 17 Government agencies to ensure new investments get priority.

The SEC has instituted an “express lane” where standard incorporation papers are processed in 24 hours.

The Bureau of Patents, Trademarks and Technology Transfer has liberalized the requirements for the transfer of foreign technology to the Philippines; automatic approval of up to 85 percent of royalty payments is now in place.

The Bureau of Customs has removed the 10-percent physical examination of imports. The Bureau of Immigration is simplifying visa requirements and procedures.

By next month, I believe, you should be able to import capital equipment for a nominal three-percent duty.

And, of course, the One-Stop Action Center in the Board of Investments now enables investors to get all investment information and documentation in one physical location.

We have also begun upgrading the International Airport as well as the domestic terminal, to remove the hassle and discomfort they cause our visitors.

Beyond these piecemeal reforms, we're self-consciously working to rethink and to redesign the role Government has traditionally played in the economy and in public life.

Our agenda calls on Government to let markets work where they can, and to step in where they cannot.

We know the costs of excessive intervention—corruption and a timorous private sector. But we also know the perils of weak government—an oligarchic order that works against the public interest.

It is important for Government to get out of business—privatizing as speedily as possible the public enterprises that grew during the dictatorship. But we must take care to establish effective government, which alone can give shape to the development effort and ensure a level playing field.

### **The surest path to growth**

In the experience of successfully industrializing nations, this combination—of a strong orientation toward the market and a more focused and efficient public sector role—is the surest path to faster growth in productivity, rising incomes and sustained economic development.

This year will be important in enhancing Government's role in development and in further liberalizing the economy.

I have asked Congress for authority to reorganize the entire executive branch. Meanwhile, I have ordered all agencies to submit plans to streamline their organizations.

I have also asked Congress to further liberalize the economy and enable foreign investors to undertake more activities.

The areas we are looking at include the following:

*First*, liberalization of the entry of foreign banks. This has become a contentious issue, but I'm convinced our lawmakers will consider the benefits to our country and our people ahead of parochial and vested interests.

*Second*, passage of the proposed Mining Code, Geothermal Development Act, and Oil and Gas Development Bill.

In the same spirit we need the bill allowing multilateral financial institutions to buy Filipino shares in joint ventures—provided they later divest.

*Third*, passage of the Horizontal Condominium Law.

*Fourth*, review of the Foreign Investments Act to open the retail trade to non-nationals—but only at the larger levels. We will continue to protect our sari-sari stores (although I doubt any of you will be interested in investing at that level).

*Fifth*, an antitrust law; stronger antidumping regulations, and putting more teeth into the protection of intellectual property.

*Sixth* and last: my new Finance Secretary is drafting an Administration bill to restructure—massively—the tax system to make it more equitable, to expand its base and to emphasize direct taxes.

Some of these measures will no doubt move faster than others through the legislative mill. This is in the nature of the democratic process, which we ought not to exchange so readily for the sake of a little more speed in lawmaking.

### **Fostering our faith**

To return to the point with which I began: we have built in this country an economic environment conducive to the energetic participation of foreign investors. And we continue to improve both the business climate and the capacity of Government to aid the process of development.

In closing, let me salute your business chambers and everyone of you. You have helped these past so many years to spread hope and a better life among us, by creating jobs and by fostering our faith in the development of this country.

I pray that in this crucial time when our economy is finally poised for takeoff, you will not only continue to do business with us but also grant us the benefit of your counsel and your good wishes.

*Source:* **Presidential Museum and Library**

Ramos, F. V. (1994). *Time for takeoff : the Philippines is ready for competitive performance in the Asia-Pacific*. [Manila] : Friends of Steady Eddie.

**Speech of President Ramos on the Eighth Anniversary of the People's Power Revolution at EDSA Speech  
of**

**His Excellency Fidel V. Ramos  
President of the Philippines**

**On the Eighth Anniversary of the People's Power Revolution at EDSA**

[Released on February 25, 1994]

**From  
to resolution**

**revolution**

OVER THE EIGHT YEARS we have gathered here to mark the anniversary of our People Power Revolution of 1986, we have not merely been marking time.

We have been coming here not just to rekindle old memories—as glorious as those memories may be.

We have not been renewing our ties to one another simply for comradeship's sake—as noble as that bond may be.

You and I have chosen to meet here—at this time every year—because we see in EDSA not just a path to the past, but a highway to the future.

Today we're here again—less to recall what we did then, than to ask ourselves what we have done since; and what we intend to do from now on.

**Giving substance to the spirit of 1986**

And even as we ask ourselves these questions, it is to the spirit of EDSA that we must return, and from which we must draw sustenance and resolution.

For without the courage of the millions of men and women who stood with us here then—and the millions more who prayed with us and for us in their homes all over the archipelago and in many parts of the outside world—this moment would not have been possible.

It was that outpouring of civic idealism, that cumulative courage, that collective prayer which secured our liberation from tyranny.

To EDSA and its heroes, then, we owe this opportunity to meet under the peaceful skies of freedom, to bask in the sunlight of our restored democracy.

And to EDSA and its heroes, we owe the responsibility of giving substance to the spirit of 1986—of delivering on their promise to move this nation and this people forward.

**Toward Philippines 2000**

My predecessor, President Corazón C. Aquino, laid the foundations of that transition. Her dedication to the democratic ideal— against all odds—reinforced our transition to political freedom. And what she began, we must now complete.

Let me also express our gratitude to the Honorable Juan Ponce Enrile, who is on a mission to Myanmar. He wrote me a letter, from which I quote:

Dear Mr. President:

Today culminates four dramatic days of exciting national upheaval staged before the eyes of the entire world eight years ago when you, the Filipino people, our religious faithful, our men in uniform, and I united to share that rare determination to willingly forfeit life, material possessions and honor in order to redeem our country from the shackles of authoritarianism.

I urge our people on this day to remember EDSA not for the things that had already been done to attain its purpose, but for the things that have been left undone in order to elevate our nation to a higher level of achievement.

Let us, therefore, unite once again as we did before under the same spirit of EDSA, and pursue its vision so that we can finally construct a better future for our people and country.

*Nais ko ring banggitin, sa pagkakataong ito, si Jaime Cardinal Sin. Batid nating lahat ang mahalagang papel na ginampanan niya noong mga araw ng kalituhan at takot . . . Bukod dito ay naging mahalagang tinig at gabay si Cardinal Sin sa lahat ng ating pagsisikap nitong nakaraang panahon.*

*Higit sa lahat, nais kong pasalamatan ang Panginoong Maykapal. Hindi niya tayo pinabayaan sa mga panahon ng ligalig. Hinayaan din niyang magbunga ang lahat ng ating pagsisikap.*

So we took this opportunity last year to launch our country toward the future.

We defined a national strategy for rapid growth, for basic change and for enduring prosperity. We call that vision “Philippines 2000.”

When I first spoke to you about “Philippines 2000,” some of our countrymen—perhaps made cynical by the disappointments and political rhetoric of the past—held back their support and their enthusiasm.

They doubted this Administration could achieve what had eluded its predecessors over two generations.

And yet this is precisely what we have begun to accomplish.

### **No brownouts in our future**

Over the past year we have enhanced political stability and turned the economy around.

We have strengthened our friendship with our neighbors and allies in the Asia-Pacific.

Best of all, we have made peace among ourselves—with Government embarking on a peace process with the Communist Left, the military rebels and our estranged Muslim brothers.

Our ultimate goal is to give every Filipino a genuine stake in our country through productive and nonviolent ways.

These initial accomplishments enable us now to focus all our talents, resources and energies on re-invigorating our beloved Philippines and its economy.

Speaking of energy, I am sure we all appreciate that full electric power has been restored all over the country.

There shall be no brownouts in our future.



What has been accomplished so far has evoked an upsurge of optimism in the business community. Our stock market, for one, has become the best performing exchange in Asia. And foreign investment has begun to come in from all over the Asia-Pacific—and the world.

I am confident we can build the economic and social base from which to launch ourselves into an era of prosperity for all.

But this change for the better requires something basic of all of us. It requires a change of attitude—from the pessimism, divisiveness and self-interest that have held us back—to a forward-looking philosophy and momentum of growth.

No enduring change is possible in our society and economy without this change from within.

### **Our need for civic responsibility**

The Philippine State has historically required extraordinarily little of its citizens. And, as individuals, we Filipinos acknowledge few obligations to the national community. But this mutual indifference between State and citizen cannot go on.

Only with civic responsibility does sustained development become possible in a democratic society.

Opinion surveys show how extravagant are Filipino expectations from Government. For example, 85 percent of respondents to a Social Weather Stations poll in early 1993 said it was Government's responsibility to provide jobs for all; and 84 percent thought it was Government's responsibility to provide basic incomes for all.

But while people's sense of their civic entitlements may be well developed, their sense of civic responsibility is not—as we can see from the extent of tax evasion and the near anarchy of Metro Manila traffic.

This imbalance we need to correct. We need to remember that moral claims are not a one-way street. The national community has just as valid claims on us as individuals and as families, as social classes and ethnic groups.

It summons all of us to share the burden—to pay the price—of social justice and economic growth.

In our time the price of development is a heavy one. Not only must we energize the economy back to self-sustaining growth. We must make good the public investments that had been foregone during the long period of fiscal crisis.

And we must keep the consolidated public-sector deficit in check—to hold down both inflation and national interest rates.

Over these past years, both natural and man-made calamities have devastated our public infrastructure, depleted the Treasury and prevented Government from making the yearly investments in farm-to-market roads, highways, bridges, ports, airports and transport systems over which the commerce of the nation must pass.

Apart from physical infrastructure, continuous investments must also be made in human capital—in primary health care and in basic education; in medical clinics and safe drinking water; in hospitals and schoolbuildings that care for the bodies and the minds of ordinary Filipinos.

To delay these investments is to condemn the economy to stagnation and decline. And stagnation and decline have been our economy's lot until now.

### **The price of development**

In economics there is no such thing as a free lunch. Development always exacts a price.

Ideally the price of progress must be paid by those groups in national society best equipped to bear the sacrifice. The burden of development must fall the hardest on those elements that can best carry it.

This is the objective of the tariff and tax-reform package my Administration is now finalizing—to spread the costs of urgent public investments, in physical and human capital, among those sectors that can best pay it.

Since public investments cannot wait on the legislative debate, we have had to impose a one-peso oil levy—drawing the tax not directly out of people's pockets, but as an advance from the Oil Price Stabilization Fund.

The only other alternative to the levy would have been for Government to borrow the money. But borrowing is no real alternative, because borrowing mortgages the future—and God knows we're deep in debt already.

Without the levy, we could not have ended the long brownouts that had become the symbol of our entire economy's chronic debility.

The rest of this illustrative story we all know. The executive branch has lifted the oil levy; and Congress has assured the passage of alternative revenue measures of a recurring nature. The most urgent public investments will not be jeopardized—although, according to our best estimates, the lifting of the levy will still mean the delay of projects that could generate some 100,000 jobs; and the building of 5,000 schoolhouses.

### **Philippine democracy works**

For its part the executive branch has committed to do its share by belt-tightening, plugging leaks, prosecuting fraud and corruption, streamlining the bureaucracy.

The oil-levy issue was contentious—even emotional. But it also proved we have achieved more than just social and political cohesion. It proved that Philippine democracy works.

It proved our representative system is once again strong enough to reconcile even passionate differences within the national community by consultation and dialogue—by our political, business and civic leaders, including representatives of the extremes in the social spectrum—reasoning and solving problems together.

The decision to lift the oil levy challenges us to strengthen our solidarity—because the real adversaries are poverty and injustice—and in the long run, what is paramount is that we lift up the common life and raise our country to the dignity it deserves in the community of nations.

Now that we have set up the framework and mechanisms for consultative problem-solving, we can move on, as a more unified people, to deeper reform—to leveling the playing field of enterprise; dismantling cartels and monopolies injurious to the public interest; opening the economy to foreign competition; and sharing more equitably the burden of development and distributing more democratically the fruits of progress.

In this work of basic socioeconomic reform, the spirit of EDSA shall be our standard, our guide and our inspiration.

### **A million Filipinos together**

If there was anything to be learned from EDSA, it was that a million Filipinos together could do what a million Filipinos apart could not. I now ask all Filipinos to return to that same spirit of unity and common purpose, so that we may use it as a renewed and indomitable spirit of change.

We have entered a new age of opportunity—the opportunity to transform the spirit of EDSA 1986 to the substance of Philippines 2000. If we pull together—as one united people—we shall not fail.

Finally, my countrymen, I look forward to seeing all of you again six years hence—when we shall have achieved Philippines 2000.

By then, my watch on the Presidency being over, I shall be down there among you in the crowd. But I will stand tall, and proud, and happy, that I had a small part in making that triumphant moment possible, by what we resolve to do here and now.

*Source:* **Presidential Museum and Library**

Ramos, F. V. (1994). *Time for takeoff : the Philippines is ready for competitive performance in the Asia-Pacific*. [Manila] : Friends of Steady Eddie.

**Speech of President Ramos during the Launching of and Convention on the Philippine National Games,  
March 3, 1994 Speech  
of  
His Excellency Fidel V. Ramos  
President of the Philippines  
During the Launching of and Convention on the Philippine National Games**

*[Delivered at the Manila Midtown Ramada Hotel, March 3, 1994]*

**From the barangays  
to the Olympics**

NOTHING delights me more than talking about sports. And I can think of no group I can do that better with than this audience we have here today.

You are the leaders, the motivators, the patrons of Philippine sports. We may be mostly sporting amateurs and enthusiasts but unlike most amateurs and enthusiasts, we have the privilege—and the responsibility—of seeing to it that the Philippine sports program succeeds—not just in terms of individual victories, but as a national effort, a triumph of the whole Filipino nation.

For this is what sports has become in this age of intense global competition: a test and an exhibition of a people's prowess, a gauge of national resolve, a mirror of the national spirit.

**A matter of national policy**

And the beauty of sports remains in the fact that, among all human enterprises, it is one founded on the principle of fair play and common rules for all.

Thus exceptional athletic talent can make it possible for a small and poor nation to gain international recognition, to win glory for itself and its people on the sporting field.

We are also acutely aware, however, of the reality that athletic talent cannot prosper beyond a generation unless its production and development become a national concern, a national imperative.

The experience of many countries—especially those whose sportsmen have distinguished themselves in the modern Olympics—shows us that enduring excellence in sports cannot be a matter of accident or the result of happy chance. It has to be a matter of national preparation, priority and policy.

Thus we have come here today to reaffirm our belief that the Government and the private sector must form an enduring partnership in physical fitness and sports development. We must rally behind our athletes and young Filipinos—not only to cheer them on, but to provide them with the basic necessities—and, indeed, the material, moral and spiritual environment they require to succeed.

We also believe in another basic tenet: that a national sports program must benefit all the people—and not only the finest few who may have the gifts and the abilities of international champions.

Sports must be a positive unifying agent for community development and nation building—not an occasion for destructive and self-defeating divisiveness.

**The Olympic spirit**

Unfortunately, the sporting movement has itself been weakened by petty quarreling and fruitless dissension. Because this situation is deplorable, I have taken firm steps to correct it.

Sports and politics have gone hand in hand from the very beginning. The real question is: What kind of politics must go along with sports—the promotion of self-interest, or the forging of national excellence, national unity and international brotherhood through sports?

The Olympics will be celebrating its centennial two years hence. By June this year a century shall have passed after the day that the modern Olympic idea conceived by the young French nobleman Baron Pierre de Coubertin was embraced in the International Athletic Congress of Paris.

Baron de Coubertin was a thinker, and belonged to an age of visionaries—the spiritual milieu of the nineteenth century, marked by the brilliance of men of genius. Such were his compatriots, Hugo and Delacroix, who headed, respectively, the French romantic school of literature and painting; Zola, advocating naturalistic trends; de Maupassant and Rodin, both outspoken realists; Monet and Degas, representing a school of painting with far-reaching influence.

Deeply rooted in the nineteenth century, but well adapted to the twentieth, some of de Coubertin's ideas were ahead of his time.

It is no wonder, then, that the ethical principles he formulated have withstood the test of a century. The Olympic movement's goal shines brightly as ever: "To contribute to building a peaceful and better world by educating youth through sport practices without discrimination of any kind and in the Olympic spirit which requires mutual understanding in the spirit of friendship, solidarity and fair play."

### **A personal commitment**

Thus the Olympic Games, which are the crowning glory of the Olympic movement, belong to all, without distinction of race, religious creed or political conviction.

This formulation, I submit to you, is political—probably politics at its loftiest, upholding the common interests of humanity above national or individual concerns.

And this is the spirit of achievement that we must infuse into our people, and our sporting community, on the national level. I take this on as a personal commitment.

I have had a long and abiding involvement in sports. I recall that during my many years with the Philippine Olympic Committee, we were already concerned with bringing sports down to the grassroots, to broaden the field from which we could select our champions, as well as to promote physical fitness among all Filipinos.

But instead of firming up the foundation first, the undue haste to build the roof got the better of our sports leaders. There was a lopsided allocation of our scarce resources in favor of churning out instant sports heroes.

This sorry situation continued even after our country's representative to the UNESCO had affixed his signature in 1978 to the International Charter of Physical Education and Sports.

Article 1 of that Charter states that "the practice of physical education and sports is a fundamental right for all."

On the three sections under the article, the Philippines has met only the first, although far from completely. We have guaranteed access to physical education and sports within the educational system.

### **The quest for the gold**

But in the other aspects of our social life, we have a lot of catching up to do. And we have yet to provide full sporting opportunities for everyone, especially our young people whether in or out of school, the aged and the handicapped.

It took us all of fifteen years to realize how far we have been left behind, and what we should do to get back on track in our sports and physical-fitness development program.

Our quest for that elusive gold medal in the Olympics can best tell the story. In 1928 a short four years after the country sent a lone athlete to its first Olympiad, the Philippine colors fluttered alongside the Japanese and German flags in the Netherlands as breaststroke swimmer Teofilo Yldefonso won the bronze medal.

Our victories trebled in 1932. Yldefonso repeated as bronze medalist, high jumper Simeon Toribio and boxer Cely Villanueva also won bronzes. But that most prolific showing ever—62 years ago—by Filipino athletes proved to be our brightest Olympic moment.

Thereafter, it was downhill all the way, with the Filipino athlete reduced to a Don Quixote jousting with the windmills.

Seven more Olympiads passed before we nearly succeeded in expunging this image. Cely Villanueva's son, Anthony, despite a bloodied nose, won a silver medal in a hotly contested fight in the 1964 Olympics.

In the next six Olympics, the Filipino athlete assumed another role, and not for the better—from the role of Don Quixote to that of Rip Van Winkle. Nevertheless, boxers Leopoldo Serrantes and Ruel Velasco jolted Rip Van Winkle from slumber with similar bronze-medal feats in the 1988 and 1992 Olympics, respectively.

Does the Olympic dream still linger? Very much so. In the Philippine Sports Commission's scheme of things, the Philippines can expect to have an Olympic gold medal by the year 1996.

### **Sports summit**

I understand the Commission and the Department of the Interior and Local Government have already identified the sports in which the Filipino athlete has the potential of winning that gold. Specific programs are now in place to attain that ambition.

Today marks a historic moment in the annals of Philippine sports. We are taking yet another giant step after the first Philippine sports summit that many of us attended in Baguio City in October of 1992.

In that summit we determined where we are and where we want to go in Philippine sports and physical fitness.

Most important, we agreed that physical fitness and sports development are a collective endeavor. Nobody owns the right or the franchise for this program. Conversely, we must all be involved in its implementation.

In this I believe that the provincial governors, city and municipal mayors here with us today have much to offer. As leaders in their own right, they have the experience and the links to the private sector that our program needs to prosper.

To promote the program further, I have signed two Executive Orders—No. 63 establishes a nationwide network which will assist the Philippine Sports Commission in overseeing the promotion and implementation of our physical-fitness and sports development program among the masses, and No. 64 makes sports accessible to all, regardless of age, place of residence and physical capabilities even as the desirable traditional and universal values inherent in the practice of sports are preserved and promoted.

These values include patriotism, nationalism, self-discipline, unity, solidarity, teamwork, industry, camaraderie, sportsmanship and fair play, respect for law and order and the rights of others, preservation of our human and natural resources, and the continuing quest for excellence.

These same values are fundamental to the success of our other great national efforts for economic recovery, social cohesion and political solidarity.

### **Sports for all**

In other words, “sports for all” must energize our nation and our people to achieve the greater development goals of “Philippines 2000.”

I am glad that the Philippine Sports Commission has drawn up an integrated national physical-fitness and sports development program.

Mass-based sports and elite sports cannot compete with one another. Rather, they must coexist, complement and create a synergy for the good and the benefit of all.

What we are launching this morning—the first National Games—is the centerpiece activity of our integrated and comprehensive physical-fitness and sports development program.

The Philippine National Games will provide the link between sports in the barangays and the high-performance sports for international visibility.

More than providing impetus for the development of a healthy and alert citizenry and serving as a springboard for our athletes to win honors for the country, the Philippine National Games should showcase and emphasize the harmony and cooperation of the private and public sectors for the people’s welfare and our nation’s interests.

Sports must unite, rather than fragment, our people and their leaders. And you and I must profess and practice that unity before we can expect it of others.

Let us bond together and work together—as a Philippine team, in quest of sports excellence, national achievement and victory by the year 2000.

*Source:* **Presidential Museum and Library**

**Speech of President Ramos during the Commencement Exercises of the Philippine Military Academy Speech  
of  
His Excellency Fidel V. Ramos  
President of the Philippines  
During the Commencement Exercises of the Philippine Military Academy**

[Released on March 6, 1994]

**Guardians of our  
martial tradition**

GRADUATION DAY at the PMA is a ritual of great meaning. It signifies renewal and continuity for our armed forces. We dedicate our new officers to our country's martial tradition as we infuse new blood into our professional officer corps.

This class is well named: *Bantay-Laya*, "Guardian of Freedom." Your watch on our civic liberties promises to be peaceful. We have restored internal stability; and the Asia-Pacific environment promises to give us the breathing spell to put our house in order and restore our economy to growth.

In this context, it is likely our country will ask you not to die—but also to live—for it. And living for your country is not as easy as it may seem.

Our country will ask you to be models of social responsibility—to be paragons of citizenship.

Our country will ask you never to mistake an increase in personal wealth and power as a replacement for growth in moral strength and character.

Our country will ask you always to place integrity above careerism, honor above self-interest, loyalty to country above loyalty to individualism and class.

Our country has had no instant miracle, no quick fix these past 20 months. But I venture to say: you enter the service of a nation whose efforts have not been in vain; whose pride is being restored, and whose prospects have never been brighter. Enormous problems remain, but we are no longer the same country we were when you began your studies here. Today we talk of programs for growth, not coups and military adventurism. We debate policies and programs—not who does what to whom. And when we look at the world, we think of catching up, not of falling farther behind.

**The sense of defeatism gone**

The sense of defeatism in our national life is gone. In its place is a new confidence and optimism—the belief that a truly free, prosperous and just society is within our reach.

"Philippines 2000" is not just a slogan or political promise; it is our shared vision and doable strategy to win the future.

As we press on in the work of development, we must also begin the long-term task of modernizing our armed forces, to meet the needs of this new time. For we have responsibilities to meet—not only to ourselves, but to our partners in the region. Though the Cold War is over, our strategic importance in our Asia-Pacific region remains. And we must be prepared to meet both the challenges and the opportunities this strategic importance confers.

All the world over, military organizations are redefining their missions to put people's protection, relief work and conservation on a par with combat duty. For the aim of both is to preserve, reform and rebuild.



The AFP's concurrent mission of community development and environmental protection possesses the attributes most conducive to economic development and nation building.

Look at the countries regarded as the best structured to meet the challenges of the next century. Search for the ingredients of their success, and you will come up with the values and disciplines found in the PMA curriculum.

There is the concentration on the sciences; there is the practice of sharp commands and clear responses, the habit of unequivocal communication, the immediate and precise obedience to instructions, the culture of living on less and saving more. There is also the habit of postponing gratification to a later time after success has been achieved and enjoyment has been earned.

This is the world into which you are entering: a world of intense competition because of earth's increasing population and reduced resources.

Duty, honor, country will see you through the confusion of the times and enable you to surmount the difficult challenges. They will guide you to the place where all good soldiers wish to stand when the bugle sounds: before your tent in the gathering darkness, filled with the fulfillment that comes from a job well done at the end of the day.

This is the world into which you will graduate.

A world of increasing freedom. A world jealous of its liberty and desirous of more—yet a world too which cries for order.

Indeed, the world could have both: for the freedom of men is enhanced by self-denial and quiet valor; by perseverance against obstacles, the capacity to think logically, and the kind of grace under pressure that we call fire discipline.

This is the message I wish to impart to you.

A great deal of good has come to pass—signalling the end of tyrannical governments and the rise of democracies almost everywhere. But a great deal of suffering continues—from natural cataclysms to man-made calamities, from hunger by climatic change to hunger because of human greed, because of warlords and drug lords, because of officials who do not care for their constituents.

Today, we also speak in modern terms of harnessing new energies and even altering life forms, even as we have perfected the means to destroy all of them.

A time of change is also a time of renewal, for redefining purposes, and reinfusing energy and idealism into the organization. This time of change is a time of opportunity.

Whenever I see the long gray line of cadets, I see the hope of the future and my confidence grows that we will win it. So much idealism in one parade ground, so much talent and capacity for sacrifice from a group so small.

What if we spread such idealism over a whole country, and expand the same capacity for perseverance and sacrifice to the nation as a whole? What could we not accomplish?

The Filipino soldier's mission expands beyond fighting the wars of his country to making our country worth fighting for.

The Filipino soldier's mission stretches beyond the most obvious duties attached to the profession of arms—to other social roles he must play. Such roles as relieving the distress of his countrymen, when they are stricken by calamities; securing their persons from harm; protecting their freedom and dignity when they are oppressed; and defending their patrimony when others cast a greedy eye on it.

The Filipino soldier must, above all, serve as the model of those virtues the country sorely needs to attain sustained development and progress: enterprise, self-confidence, perseverance, self-abnegation and scientific curiosity.

I would ask no more of you than is asked of a soldier. For what a soldier regularly undertakes is to give his life, which is the most that any man can give.

I will not ask you to pledge that you be a credit to our country. And do honor to your profession through actions over and above the call of duty. The duty of a soldier is to work and fight, and give his life when called upon to do so. What more can he give?

Exhortations to rise above the ordinary cuts no ice with soldiers. For the extraordinary is what soldiers ordinarily do.

In fact, I will not ask anything of you. For, I recall, it is enough to repeat to the soldier those brief and famous words: "Gentlemen, our country expects you to do your duty." And the officers will lead, the men will fight, the work will be done, and the battle will be won.

*Source:* **Presidential Museum and Library**

Ramos, F. V. (1994). *Time for takeoff : the Philippines is ready for competitive performance in the Asia-Pacific*. [Manila] : Friends of Steady Eddie.

**Speech  
of  
His Excellency Fidel V. Ramos  
President of the Philippines  
At the National Press Club Gridiron Night**

*[Delivered at the PICC, Roxas Boulevard, Manila, March 11, 1994]*

**A  
to the press**                      **reply**                      **and**                      **tribute**

**A** **reply** **and** **tribute**  
**to the press**

Perhaps, this is the essence of democracy. Surely, this is freedom of the press—Philippine-style. Allow me now to exercise the freedom of the “Prez,” Ramos-style.

## Phantoms of the press

I am pleased that for once I can watch a presentation, a performance about which I do not have to be diplomatic. The National Press Club version of *The Phantom of the Opera* we saw tonight was out of this world.

But the truth of the matter is that the cast, the production staff, the scriptwriters and the directors did such a good job as phantoms that they deserve our highest kudos and applause. If there were some shortcomings, these should be excused, for after all, performance is not supposed to be the expertise of journalists.

### Daily gurgitations

Anyway, one redeeming value for which we should give credit to those who are trying hard is that they are always entertaining.

In his time, Shakespeare quickly disposed of such perorations with his famous one-liner: “It is a tale told by an idiot, full of sound and fury, signifying nothing.”

I dare you to cite to me one President—living or dead, Filipino or foreign—who had to contend with more blah, blah, blah, than I do.

In the old days a clear line was drawn between journalism and politics. Politicians strutted on the public stage while journalists stood in the audience and threw rocks at them. Now this distinction has been blurred. These days it is both the politicians posing as journalists and the journalists themselves who occupy the stage and throw rocks at everybody.

But the real sensation is a new newspaper in town which is my favorite reading matter—*The White Paper* of Media Watch. I guess this paper is the media version of *Some Are Smarter Than Others*. After reading each issue of *The White Paper*, I feel glad because the document identifies a number of media people who should be targeted by the Bureau of Internal Revenue in its tax-collection drive.

And, by the way, if the National Press Club board under Marcelo Lagmay would make a formal request, I would be happy to have some newsmen’s lifestyles included in our research on who are the country’s 1,000 highest taxpayers.

#### **A.C.-D.C.**

Column writing must be a lucrative trade. I am told that a columnist gets paid for both saying something and saying nothing. A similar but slightly different modus operandi is that called “A.C.-D.C.,” or “attack-collect; defend-collect.”

One of the pet illusions of the Philippine press is its sanctified belief that it speaks to and for the people. Do you really? With all due respect, our top two dailies are each bought at most by only one half of one percent of our population of 65 million.

The others have circulations so small that they only register as dots in the market surveys of opinion research firms. Yet, a certain law, much like Gresham’s Law, operates in our press: “The smaller its circulation, the noisier and more sensationalized the paper.”

I have organized a Philippine Centennial Commission wherein journalism is not represented. The reason for this is that we want to have an accurate account of events since 1898.

Indeed, journalism in our country has gone a long way since Aguinaldo’s time. In the old days newspapers and magazines carried fiction. Today dailies and weeklies carry modern fiction called columns.

There is a move these days in Congress to upgrade the standards in higher education. This came as a result of Vice-President Joseph Estrada’s revelation that his English professor in college was a well-known Ilocano writer.

Now I wonder if the people who advise me on economics were once students of Larry Henares.

But having said all of the foregoing and in keeping with the spirit of Gridiron Night, let me say that I do respect and honor the profession of journalism which gave my father his start in life as a teen-aged cub reporter. My old man believed as I do that as Henry Louis Mencken said, the main duty of a newspaper is “to comfort the afflicted and afflict the comfortable.”

#### **A great step to knowledge**

I will not presume to tell you how to run your business, let alone how to discharge your profession. But is it possible that you would begin to have more readers if you in the press would grouse a little less and sympathize a little more, if you paid a little more attention to what is right about our country and a little less to nitpicking and faultfinding?

Meeting the challenge of development is like going to battle with an army. You cannot win the contest with one half of your forces confident and the other half terrified about the outcome. You can only lose.

So I ask you, cheer for our team sometimes, even as we in Government take the flak and the brickbats. The real competition is out there in the international arena, and the players are the Philippines and our neighbors in the Asia-Pacific.

You certainly should not be passive in the exposure of error or wrongdoing in government. But when errors occur in your reportage and analysis—which happen just as often as the hits—please be ready to make corrections. As Disraeli says, “To be conscious that you are ignorant of the facts is a great step to knowledge.”

At the height of the fight against the Marcos Government, the slogan of the alternative press, taken from Holy Writ, was: “The truth shall set us free.”

And so it did set us free. Today, with our democracy recovered, we, in both the media and the Government, should perhaps remind ourselves that the Gospel of St. John did not say: “The untruth or half-truth shall set us free.”

### **Decency is the watchword**

In this light, let me make one wish to happen: that the press would heed these words:

I shall scrupulously report and interpret the news, taking care not to suppress essential facts nor to distort the truth by omission or improper emphasis. I recognize the duty to aid the other side and the duty to correct substantive errors promptly. . .

I shall refrain from writing reports which will adversely affect a private reputation unless the public interest justifies it. . .

I shall conduct myself in public or while performing my duties as a journalist in such a manner as to maintain the dignity of my profession. When I doubt, decency should be my watchword.

The words are not mine, they are yours. They are taken from the Philippine Journalist’s Code of Ethics. And they reflect the highest ideals and aspirations of your profession and your community.

The press and the State have their tasks to fulfill. But in the end, we all share our common goal—the enduring peace, progress and prosperity of our people and our beloved Philippines.

*Source:* **Presidential Museum and Library**

**Speech of President Ramos to the Federation of Filipino-Chinese Chambers of Commerce and Industry,  
March 20, 1994**

**Speech  
of  
His Excellency Fidel V. Ramos  
President of the Philippines  
To the Federation of Filipino-Chinese Chambers of Commerce and Industry**

*[Delivered at the Westin Philippine Plaza Hotel, March 20, 1994]*

**Productive at forty**

YOUR TRACK RECORD since 1954, to say the least, shows that you have had a most productive 40 years.

I dare say no social-civic organization can match your efforts to improve our education infrastructure.

You have donated almost 1,500 schoolbuildings from Aparri to Jolo under your project “Operation: Barrio Schools,” thus helping ease our chronic shortage of classrooms and making possible for thousands of poor Filipino children to enjoy basic education.

In times of typhoons, earthquakes, floods and fires, you have been quick to help and comfort calamity victims.

To our countrymen living in depressed areas, your project “Operation: Mobile Clinic” has provided free medical and dental aid.

**Helping improve police mobility**

Chinese-Filipino volunteer fire brigades organized through your encouragement are often among the first to respond to fire alarms—helping save lives and property.

I must also acknowledge your contributions to help improve peace and order, especially in Metro Manila.

Your donations of 40 brand-new, fully equipped police patrol cars—as well as the hundreds of motorcycles you have turned over to police agencies—have improved the mobility of our law-enforcement agencies.

When prices of basic goods tend to rise unreasonably during abnormal times, your Federation uses its influence to persuade industrialists and businessmen to keep their profit margins at a level in keeping with their civic responsibility.

I recall a time you donated 20 Fiera vans to the Metro Manila government—to be used as mobile stores selling prime commodities at factory prices.

To promote tourism, you joined hands with national agencies and the city of Manila to renew Manila’s “Chinatown” to make it a landmark for visitors and travelers.

And, of course, we cannot forget the “Miss Chinatown Philippines” whom you send abroad as ambassadors of goodwill to promote Philippine tourism.

**Your role in developing the economy**

Your most important contribution, however, has been to help develop our economy and generate jobs. Our Chinese-Filipinos make up only one percent of our population. But Chinese-Filipino companies generate a full third of the sales of all domestically owned firms.

Your members are engaged in business in almost all aspects of our commercial life. Your economic power and influence you have used responsibly—to your credit and to the entire nation's benefit.

Despite our economic difficulties these past several years, your members have stuck it out in the Philippines—instead of relocating to other countries.

You have also been sending trade and goodwill missions abroad to expand and improve trading relations with your counterparts in other countries and to invite foreign investor to the Philippines.

I understand that among our guests today are foreign delegates to the Tenth Asian Amity Conference, which your Federation is hosting.

This is neither the first nor the last of such international gatherings under your sponsorship. These conferences have given our foreign business visitors a firsthand view of the investment opportunities our country offers.

### **A worldwide network of entrepreneurship**

The network of entrepreneurship that the Overseas Chinese have woven throughout East Asia, the Pacific—and in fact the world—makes them an economic power in themselves.

A Hong Kong academic recently estimated that although the 44 million *hua ch'iao* make up only 4 percent of China's population, their "national income" is two-thirds as big as that of the Chinese mainland.

Your Federation is our embassy to this formidable economic power that the Overseas Chinese community represents. We value the business contacts with ethnic Chinese businessmen that you maintain all over Asia and the world. These bonds of friendship—and mutual benefit—should prove equally beneficial to our economy as a whole.

Let me now turn to my Government's effort at reform, for which I seek your wholehearted help and support.

At this time, my Government, as you know, is engaged in leveling the playing field of business competition.

This campaign seeks to abolish business advantage gained through political influence. We want businessmen to be able to run their businesses without having to kowtow to influential politicians, bureaucrats and criminal syndicates.

As part of this campaign, we are dismantling monopolies and cartels injurious to the public interest. Our initial effort—to open up the telecommunications industry to competition—has already borne fruit in more telephones and better service. We are liberalizing the banking system and decartelizing the cement industry, various sectors and agribusiness and interisland shipping.

And we are determined to collect the right taxes from every taxpayer. Our tax campaign is an important reform effort. There will be neither fear nor favor in its implementation.

The full force of the law shall be applied equally and without discrimination—to all tax evaders—without targeting any specific individual, corporation or community in our plural society.

All prosecutions shall be open—with the accused entitled to every legal defense.

To our foreign visitors who came to attend this conference, and to those others who came to share in your anniversary celebrations, let me extend our warm welcome and our hospitality.

### **An investor-friendly country**

I understand your itinerary includes a visit to the Subic Bay Free Port Zone. I hope this visit will give you an inkling of the business opportunities our country offers at this time. Those opportunities would not have been possible without the political stability we are finally enjoying. And political stability is the happy result of our peace initiatives, greater cooperation among all branches of Government, and our all-out war on crime.

The fight against syndicated crime—particularly kidnapping—is led by my Vice President and an elite group of law enforcers in the Presidential Anti-Crime Commission.

As you can see, we have put our power crises behind us. We are now expanding our countrywide network of roads, bridges, piers, airports. Everywhere you locate in our country, you will find skilled and adaptable workers.

And you will find our laws—on repatriating profits, holding land and running businesses in general—to be investor-friendly.

Apart from enjoying substantial privileges, foreign investments are protected by constitutional mandate from any form of confiscation. Our history will bear out that we have never nationalized a foreign business concern.

Let me assure you that the Ramos Government will continue to promote the free and healthy growth of lawful foreign business enterprise in this country.

We are happy to have you with us, to share in the fortieth anniversary of your organization, the Federation of Filipino-Chinese Chambers of Commerce and Industry.

This Federation, as an ethnic institution, has done much to help assimilate our ethnic Chinese into the mainstream of Philippine society. I believe that the Federation has been highly successful in this regard.

The Federation has advocated the legalization of aliens who wish to live and work here for the long term. We are optimistic that the Alien Legalization Bill and other related measures will be approved with dispatch—so that we can harness the productive potentials of every citizen in our plural society.

### **Culture and civic responsibility**

For much longer than the four decades of this Federation's existence, Chinese-Filipinos have helped build this country—with their blood, their toil, their resources and their enterprise.

Ours has been a historical partnership founded on the strongest values of Asia's great civilizations.

And now we must reaffirm that partnership and move forward to meet the challenges of a new century.

Let us continue to work together to turn this country into a showcase of progress, dynamism and harmony—the very same virtues that have distinguished your Federation.

I am hopeful of our young generation of Chinese-Filipinos—a generation of largely well-educated, certainly more politically aware than its elders, and more self-confident about its place in our country's cultural mainstream.

You have freely chosen this country for your own. Love it and care for it.



I see no contradiction between your pride in your Chinese culture and your civic responsibility—as citizens—to the Philippine state.

Your moral obligation is to cleanse your community of that small minority who are destroying its reputation by their antisocial acts.

In business, look for long-term gains and not just for short-term profits. Plant, create, establish—not just for today but for tomorrow—and the day after.

*Source:* **Presidential Museum and Library**

**Address of President Ramos at the 10th International General Meeting, Pacific Economic Cooperation Council, March 22, 1994**

**Address  
of  
His Excellency Fidel V. Ramos  
President of the Philippines  
At the 10th International General Meeting, Pacific Economic Cooperation Council  
[Delivered in Kuala Lumpur, Malaysia, March 22, 1994]**

**The  
in the Asia-Pacific era**

**new**

**Philippines**

**I. A NATION REBORN**

TO EAST ASIA'S VIGOROUS ECONOMIES, my country is like a friend and neighbor who has been ill—but now is well once again.

Long periods of calamities and political crises before 1992 have tested our fortitude as a people. Today—hardened in the fire of adversity—we Filipinos can look to the future confidently.

We have put our house in order; and we're back in business at the heart of the world's fastest-growing region.

Once again we're ready to pull our weight in regional cooperation—and to account for ourselves in the world.

**Our sense of purpose regained**

Best of all, we Filipinos have regained our national sense of purpose.

We have come to grips with our most intractable problems, and we can justifiably claim that we have arrested the decline of the economy—and the national spirit—which had so demoralized our people.

We are agreed on an economic vision for our country; and we have reached a national consensus on the structural reforms to make that vision of "Philippines 2000" a reality.

Henceforth, we will so conduct ourselves that—six years from now—our friends and neighbors can say of us—in the words of the Malay proverb: *Anak kucing menjadi harimau*. ("A kitten has become a tiger")

The renewed sense of optimism that pervades our business people is confirmed by the well-known investment house, Merrill Lynch:

The Philippines has experienced steady progress in all its debt and debt-service ratios over the past few years. Full payments are currently being made to the Paris Club . . . . Power shortages have been reduced dramatically and should be eliminated in 1994.

With President Ramos, the Philippines has achieved a high degree of political stability for the first time in nearly a decade.

An appropriate exchange level is again making exports competitive, particularly many manufactured goods. Foreign direct investment is increasing sharply and the stock market is at record levels.

## **Economy poised for takeoff**

That the economy is poised for takeoff, we can see from the heights reached by our equity market (up by 155% in 1993 over 1992); the dramatic rise in foreign investments (49.6%) and export receipts (12.8%); our successful return to the capital markets; the stability of prices; and the decline of interest rates.

Our debt-service ratio has declined from 37% of export earnings in 1984 to only 18% in 1992—lower than that of any Latin-American country.

Between 1990 and 1992, our public-sector deficit dropped from 5.3% of GDP to 1.9%. In 1993, inflation was down to 7.6%.

We are steadily opening our economy to foreign investment; and leveling the playing field of competition by dismantling cartels and monopolies injurious to the public interest.

In our quest for internal stability, we have broken through every barrier. With local secessionists, military rebels and Communist insurgents, we are negotiating a just and enduring peace.

A new spirit of cooperation between Congress and the Presidency prevents the gridlock which has obstructed policymaking in our far-from-perfect democracy.

We're streamlining the sluggish bureaucracy, devolving political authority to Local Government units, developing 15 growth centers throughout our archipelago and installing effective central government in Metro Manila.

In all this effort, we've received much help from our friends. Initial investments from our ASEAN neighbors were veritable votes of confidence in our economic recovery.

Investments from Japan were up 65% in 1993; South Korea, Hong Kong, Taiwan, China, Saudi Arabia and Australia have all come in. So have the finest Asia-Pacific corporations—among them Hopewell Holdings, Sime Darby, Keppel, Neptune Orient, Singapore Telecom; Daewoo, Samsung, Tuntex Hyundai; Nissan, Marubeni, Mitsubishi, Kawasaki, Mitsui, Toyota, Matsushita, Kao; and, from the farther shores of the Pacific, Federal Express, Coastal Petroleum, Motorola, Unocal, Reebok.

They've all cast their votes of confidence in the new Philippines.

## **Growth targets for Philippines 2000**

How will the Philippine economy compare with the East Asian tiger-economies over the next few years?

We expect the economy to grow by 4.5%—or perhaps a bit more—this year. This may be modest by regional standards; but it is respectable in world terms—and to us tremendously gratifying after years of minimal growth. The growth our economic managers project for 1995—7.5%—will be closer to the East Asian norm.

Between 1993 and 1998, we envision our economy to expand by an average 6-8%; income per head to rise to at least US\$1000; and poverty incidence to decline to about 30% from the present 50%.

We shall need no special favors from our business friends in the Asia-Pacific. We ask only that you look squarely at the opportunities for trade and investment we offer.

## **II. THE PHILIPPINES IN THE ASIA-PACIFIC**

I have sketched for you the travails of a nation that has— over these few years—been virtually reborn. Let me now turn to my country's concept of its role in the Asia-Pacific community.

Today, we Filipinos regard our membership in ASEAN as our primary foreign commitment—and the larger Asia-Pacific region as the cornerstone of our foreign relations.

We subscribe wholeheartedly to the ASEAN ideal of open regionalism.

For the first time, the world has a real chance to remove the threat of force from international relations; and to achieve unprecedented—and collective—prosperity.

For the first time, the world has the chance to build mutual security and stability not on arms or military alliances but on interdependent economies.

For the first time, a truly global market is forming—a market founded not on force but on mutual benefit.

This Council should add its voice to those who urge the world's leaders to stop thinking in terms of power and advantage—and to begin thinking instead of peaceful commerce and integration into the community of nations.

### **Closed trading blocs will not work**

We in the Philippines see APEC and AFTA not as our countervailing forces in a post-Cold War economic balance of power but as building blocks of the global market.

Closed trading blocs will not work—because no bloc can have, within its boundaries, all the markets, raw materials, energy and technology—much less all the intelligence and talent—that human societies need for self-sustaining growth.

Closed trading blocs will function like the old empires.

Economic differences between them can easily deteriorate into political disputes and military conflicts.

We also need to redefine our concept of nationalism.

Technology and economics are outpacing our accustomed ways of thinking about international politics. Orthodox geopolitical maps no longer coincide with the new map of the world that business and economics are charting.

We in the Philippines were left behind East Asia's growth because we mistakenly tried to protect our industries from foreign competition.

We mistakenly equated nationalism with economic self-sufficiency.

Now we are painfully—and belatedly—removing the barriers erected against foreign investment and multinational industry.

We've also redefined our concept of national security in nonmilitary terms. We now regard national security as founded—ultimately—on our country's economic strength, its political unity and its social cohesion.

Our concept of security is to seek security together *with* our neighbor countries and not *against* them—together to build not mutual deterrence but mutual support and confidence.

### **Communitarian capitalism**

We acknowledge the power of self-interest in generating development. But we also insist that self-interest must be mitigated by a sense of community.

“Free enterprise” should not mean enterprise free of public accountability. Free enterprise should not mean free exploitation of the environment. Free enterprise should not mean the poor and powerless paying the human costs of development.

Apart from the classical Anglo-Saxon model of the individualistic risk-taker in the liberal democracy, we now have the contrary model of a more communitarian capitalism practiced in East Asia and in many parts of Europe.

Socially, communitarian capitalism has a greater care for those groups—the poor, the young, the handicapped and the old—whom competition leaves behind. Rather than depending on money incentives for productivity, it favors income equity, consensual relationship and intrinsic work satisfaction.

Communitarian capitalism has been able to combine economic vigor, growth and competitiveness with social harmony.

It is to this communitarian model of modernization we in the Philippines aspire—because we see it as closer than individualism to the traditional civic virtues we want to keep; and the kind of social responsibility we want to inculcate in our businessmen, officials and professional people.

### **Toward an Asia-Pacific economic community**

Let me now sketch for you my vision of the Asia-Pacific region.

We in the Philippines believe our ultimate goal must be an Asia-Pacific economic community. For only then can this Ocean we share live up to its name.

Within Southeast Asia, unification will give our 450 million people the cultural variety, the talent pool and the economic weight enough to count in the future world.

If it is to get anywhere, economic unification must begin—not in some grandiose political scheme—but in organic and practical ways, following the grain of custom.

It should not compete with national sovereignties and identities. But it must equip itself with a framework for interregional trade and mechanisms for regular consultations; for resolving internal disputes, and for resisting outside encroachments.

And the groundwork must begin in our time.

Though I speak so optimistically of our prospects for solidarity and mutual support, I do not make light of the problems that set us apart.

Some of these problems are centuries old. They cannot be wished away. But neither can regional cooperation wait on their resolution.

Our predecessors in ASEAN were wise to transcend these bilateral problems and to proceed with the initial stages of regional cooperation without first resolving them.

Modernization and economic growth will make many of our problems irrelevant—no matter how large they may loom in our calculations for the moment.

## **Beyond economic growth**

No region of the world has used its peace dividend from the thawing of the Cold War more wisely than East Asia. According to the latest figures from the Economic and Social Commission for Asia and the Pacific in Bangkok, the region has just had another banner year. It grew six times faster than the global economy did in 1993.

Regional stability—which is the foundation of East Asia’s amazing growth—is built on the emergence region wide of a market system, and the recognition by all our countries of the need for regional peace, if internal development is to continue.

East Asia’s early unity, in the fourteenth century, was formed by the driving force of economics—specifically by the East-West spice trade. Economics can unify us once again.

Growth poles—like the East ASEAN Growth Area grouping Mindanao, Brunei, eastern Indonesia and East Malaysia—are teaching our local peoples the virtues of working together. And interregional trade binds our countries all the way from Russia’s Far East and Japan to Australia and New Zealand.

## **Toward greater freedom**

Now to sum up: There are those who say Asia is not going to be civilized after the methods of the West—that Asians will prefer to be ruled by authoritarians who make the economy grow rather than by democrats who can’t say “no” to special interests.

But this kind of cultural relativism is being refuted by middle-class activism from Beijing to Yangon.

Everywhere in East Asia, people are giving up their tranquility—and sometimes staking their liberty—in the belief that there is something more to life than an unending spiral of individual gratification.

All our countries seek economic growth—not merely because it allows consumers to accumulate material goods—but because it frees societies from the limiting belief that humankind must forever live by the sweat of its brow.

Economic growth is important because it allows greater human freedom. Economic growth is important because it enables human beings to realize the full possibilities of their lives.

This is what we all need to keep in mind—as we struggle to free the masses of our peoples from their bondage to poverty. It is for this—for greater human freedom—that we are striving; and not just for ourselves but for those who will come after us.

*Source:* **Presidential Museum and Library**

**Speech of President Ramos at a Dinner hosted by Le Duc Anh, President of the Socialist Republic of Vietnam,  
March 28, 1994**

**Speech  
of  
His Excellency Fidel V. Ramos  
President of the Philippines  
At a Dinner hosted by Le Duc Anh, President of the Socialist Republic of Vietnam**

*[Delivered in Hanoi, Vietnam, March 28, 1994]*

**Prospects  
and prosperity**

**for**

**peace**

MY JOURNEY to Vietnam is the first by a Filipino President, yet this visit takes its meaning from more than just this historical detail.

Our countries share many things—geography, ethnicity, history. They resemble each other in area and population. Our cultural affinities date back to at least a thousand years. And in our separate struggles against colonialism, our peoples mirror each other in both their trials and triumphs.

For much of their history, Vietnamese and Filipinos have had to fight repeatedly—not one, but several occupying forces in their territory. At the time your people were fighting off the French from 1858 to 1883, our forefathers too were stirring to the call of nationhood—an awakening that led to our nationalist revolution of 1896 against Spain.

**Bridge building between our peoples**

Left to ourselves, we would have easily discovered our affinities and built bridges between our peoples. But history erected barriers between us.

My delegation has come here to do its bit of bridge building—to help surmount these barriers that history has interposed between us.

And this we can do, Mr. President, by reaching back to the ideals that animated our peoples in their fights for freedom, and by reaching forward to the bright future that awaits our countries in this new era in Southeast Asia.

Part of our mission is to pay tribute—on behalf of our people—to your epic struggle to reunify your homeland. No matter how many times the world may turn over, the Vietnam War will always be part of the annals of courage, tenacity of purpose, and love of country which are the common heritage of mankind.

I can speak with some knowledge about that time because I served in Tay Ninh Province 28 years ago as chief operations officer of the Philippine Civic Action Group. Ours was a medical and engineering battalion—our mission was to build and to heal—but we nonetheless saw—at close quarters—the bitter conflict tearing at the guts of your country.

And we saw the heroism of the Vietnamese people—on both sides of the political divide that existed then.

**A Vietnam engaged in the works of peace**

Today, we come upon a different Vietnam—a Vietnam engaged in the works of peace, in a region steadily learning the ways of cooperation and community.

We see a nation turning its energies to building and creation—just as vigorously, as courageously and as devotedly as it had fought for its freedom.

We see a nation taking part in the accelerating movement toward consolidation of our region—in Southeast Asia's historic transition from division to solidarity.

The foundations for the friendship between our two countries were laid when we established diplomatic relations soon after the reunification of Vietnam. These relations were given substance and strength by a joint communiqué issued in 1978 by President Marcos and Premier Pham Van Dong. And they were reaffirmed by Prime Minister Vo Van Kiet and President Aquino in Manila in 1991.

By these solemn undertakings, we pledged peace between us resolving to settle peacefully any disputes between us and to cooperate for the common good of our peoples. This pledge I reaffirm, Mr. President, on behalf of my Government.

This commitment, this pledge goes with the flow of history—especially the flow of history in our region—where nations now seek their security not in military alliances or the accumulation of arms, but in consultation, friendship and economic development.

This earnest of our resolve matches the spirit of East Asia today.

Vietnam has not only wholeheartedly joined this historical trend; it has given impetus to it. Manila was privileged to be the site two years ago of Vietnam's accession to the Treaty of Amity and Cooperation in Southeast Asia and Vietnam's acceptance as an observer in ASEAN. It was on that same occasion in Manila that ASEAN issued the Manila Declaration on the South China Sea, which Vietnam immediately endorsed.

### **Vietnam's commitment to ASEAN's purposes**

These steps underscore Vietnam's commitment to ASEAN's spirit and purposes. And they show the way toward Vietnam's entry into the Association as a full member. We in the Philippines have made clear our position: the sooner Vietnam enters ASEAN the better for ASEAN and for Southeast Asia.

While we await this event's coming to pass, we welcome Vietnam's participation in ASEAN's cooperative activities, including its participation in the ASEAN Regional Forum.

In the South China Sea—where both our countries are involved—attention needs to be focused, not on mutual suspicion, but on cooperative effort that will build mutual confidence and trust.

For this purpose, Mr. President, I propose the establishment of a Joint Study Commission on the South China Sea to undertake wide-ranging studies on the Spratlys issue. The commission can explore such ideas as demilitarization of the area, a freeze of the current situation, and cooperative development ventures among countries concerned.

We can start this initiative by our own joint effort. But the overall objective must be to involve all claimant countries, so that we can have a reliable mechanism for continuing consultations, and for lessening tensions.

### **Economic cooperation**

On economic cooperation, we laid the basis for enduring ties with the agreements forged by our countries from 1978 to 1993. Now, it is our opportunity to embark on programs and projects that will effectively expand trade, investments and technical exchange between us.

The growth of bilateral trade and investments in recent years is encouraging. But it pales beside what is now within our capacity to build.



With respect to technical exchange, we are probably best equipped to help in the development of human resource—in education, primary health care and skills training. Our experience has been fruitful in vocational training, agricultural education, basic literacy and teacher training.

### **Planting a tree of friendship**

In a famous message to your people, the revered Ho Chi Minh wrote: “Only when the root is firm can the tree live long.”

Mr. President, by our endeavors together, I believe we are planting such a tree—because we are taking care to ensure that it stands on firm roots.

The cordial talks between us and between our delegations, and my discussion with General Secretary Du Muoi have strengthened me in this belief.

We have shared our views on the security and economy of East Asia and found them compatible.

We have identified ways in which our two countries can advance the commercial and other economic relations between them.

We have looked into joint activities for the promotion of investments and tourism.

We have found distinct areas for cooperation in agricultural production and research, in science and technology, in public health and social welfare.

Now we are ready to embark on concrete cooperative activities.

We look forward to discussing all these in detail tomorrow, with His Excellency Prime Minister Vo Van Kiet.

Finally, we look forward to seeing more of your beautiful country during the remainder of our journey. By the time we return home, I’m certain we will have expanded—and moved forward—the partnership between our countries and our peoples; and the solidarity, stability and prosperity of our region.

*Source:* **Presidential Museum and Library**

**Speech of President Ramos in the Commemoration of Veterans' Day, April 9, 1994 Speech  
of  
His Excellency Fidel V. Ramos  
President of the Philippines  
In the Commemoration of Veterans' Day**

*[Delivered at Mount Samat, Pilar, Bataan, April 9, 1994]*

**A day of dedication**

EVERY YEAR, on the 9th of April, we pay homage to the epic heroism and selfless sacrifice of Filipino and American soldiers who fought some of the greatest infantry battles of World War II right here where we are. These are the battles of Corregidor, Bataan and other heroic encounters which we commemorate in this "*Araw ng Kagitingan*."

We are inspired by the words of our young Filipinos, by their pledge and commitment to work as hard, as sacrificially, and as dedicatedly as our heroes of World War II, represented here by so many of them.

**An epic of human endurance**

We are equally inspired by the pledges of the ambassadors of the United States and Japan, in the spirit of cooperation, solidarity and universal brotherhood, who said before us that they shall continue their commitments to help bring the Philippines to a better life, not too late from now, hopefully by the year 2000.

*Mga mahal na kababayan, ang pagdiriwang ng Araw ng Kagitingan ay isang muling paglalaan sa diwa ng kalayaan, kaisahan at kaunlaran. Ito ay sagisag ng pangako ng buong bansang Filipino sa pagtatanggol ng kalayaan.*

In this hallowed battleground, Filipino soldiers stood tall and proud in the defense of our motherland. Right at the start, our soldiers knew that their mission was to hold and delay the advance of the invaders, hoping that fresh reinforcements would arrive in time to extricate them from the fierce onslaught of the enemy. That they held on for five months of relentless aerial, naval and land attacks, thus upsetting Japan's timetable toward the Southwest Pacific, was among the most significant and historic battles of the Second World War.

For Bataan-Corregidor was an epic of human endurance. While the enemy continually brought in fresh troops, the Filipino-American soldiers were sent to combat duty day in and day out—until they were killed, wounded or just dropped from sheer exhaustion.

Illness and the lack of food proved to be the worst enemies of the defenders. They could have continued fighting had medicine and food been available at the frontlines.

**'Sad but unashamed'**

As it were, they defended this peninsula well beyond all expectations. But finally there was nothing more to prove. To stop the waste of more young men's lives became the only sensible thing to do. General Jonathan Wainwright, the highest-ranking commander among the defenders, summed up the feelings of his officers and soldiers in the following words:

"I feel it my duty to the nation and to my troops to end this useless slaughter. There is apparently no relief in sight. American and Filipino troops have engaged the enemy nearly five months. We have done our full duty. We are sad but unashamed."

For the surviving veterans who fought in Bataan and Corregidor—brave men now in the twilight of their lives—the events of the hot months of 1942 may now be merely deemed memories.

But to us, their successor-generation, including our two lady orator champions and the Boy Scouts, the Girl Scouts and the high-school students out there who hiked all the way from Central Luzon to this hallowed shrine, to ask your remembrance of those war years is both an inspiration and a challenge as well as a social responsibility as we struggle in our time and, in our way, to assure a better life and a brighter future for our people.

The deeds of the men and the women of Bataan, Corregidor and other battlegrounds of the Philippine campaign teach us that the never-ending struggle for peace, freedom and prosperity exacts a price—a heavy price and individual self-sacrifice on behalf of the social whole and in our individual willingness to heed the call of civic duty.

### **The duty of citizenship**

The idea of citizenship carries with it the sense of responsibility for what happens to the nation as a whole. In its original Greek sense, the word idiot refers to someone indifferent to his duties as a citizen.

Society is much more than an aggregation of individuals or families. Society, our Philippine society, has a recurrent hunger for some sense of the ideals for making an effort beyond personal enhancement and self-interest.

We are not just tenants in this land—this land, our beloved Philippines. We are not just transients here, and we are not just passing by. We are here on this land to stay—this land, our beloved Philippines—which the young men of Bataan and Corregidor fought so hard to defend.

And so, our task now with the successor-generation is to develop the habits of thought and of action to energize, to mobilize and labor steadily to achieve our national goals under our shared vision of “Philippines 2000.”

It is fitting that we set aside this day to renew to our veterans the honors and the recognition that they deserve. But more than medals and honors, our veterans and their dependents need to be assured of adequate benefits so that they can live out their lives in dignity.

As Secretary of National Defense, I initiated as early as 1988 the standardization and upgrading of benefits for military veterans and their dependents. And this was eventually enacted by Congress and signed into law. This bill, principally authored by then, or still, Senator Alberto Romulo and then-Congressman Eduardo Pilapil, became Republic Act 6948 when President Corazon Aquino signed it into law on April 1990, on this very same day.

As Secretary of National Defense, I also worked to seek the support and approval of Congress, President Aquino and her financial advisers, to rehabilitate the Philippine Veterans Bank—work and support that paid off when the Bank was reopened in 1992, mainly through the efforts again of Senator Alberto Romulo and then-Congressman Eduardo Pilapil.

### **Veterans’ benefits**

Today, I have signed in your presence Republic Act 7696, authored principally by again, Senator Alberto Romulo, with almost all of the members of the Senate as cosponsors, and on the part of the House, authored by Congressman Mariano Badelles, and cosponsored by the majority of the House members.

Republic Act 7696 amends certain sections of Republic Act 6948, and among the highlights of this new law are the increase of the old-age pension of military veterans, from P500 to P1,000 a month.

*Pambihira ito, mga kapatid at mga kasamang beterano, dahil sa kahit na maliit pa lamang yan, kayo lamang ang nagkaroon ng 100 percent increase sa buong pamahalaan.* But do not despair, wait a while, stop dying,

[laughter] *dahil sa mayroong escalation clauseyan*. As time goes on, without further recourse to Congress, *tataas yang pension na yan*.

There is also the increase of the pension of surviving spouses and dependents and the increase of burial assistance—never mind—I will not mention that anymore [Laughter].

Likewise, it provides for the increase in the monthly disability pension of our war heroes, depending on the level of the disability.

In addition to this, we have opened an expanded office for veterans and reserve affairs in the Department of National Defense. And I have designated one of our very own veterans, retired General Ernesto Gidaya, as the Undersecretary for Veterans and Reserve Affairs, to underscore the importance of the veterans sector in our national society.

Other manifestations of our deep concern for our veterans and their families are the following:

The organization of the Filipino War Veterans Foundation to extend assistance to veterans from the private sector, and that organization, after four years of existence, has now been able to build a trust fund of P30 million, mostly from contributions of corporate donors, as well as a lot of small Filipinos, as a token of their appreciation for the services rendered by our veterans.

### **Medical assistance**

We have also expanded the hospitalization and other medical benefits at the Veterans Memorial Medical Center by establishing veterans wards in various Government hospitals all over the country, and by providing financial support for the rehabilitation and development of the Malantang Memorial Cemetery National Shrine in Iloilo, which was the area of operations of one of the most famous guerrilla resistance outfits during World War II, the 6th Military District under the late General Macario Peralta.

We are also pursuing the unresolved claims with the United States government for the services of Filipino veterans during World War II. For this purpose, we have established the Office of Veterans Affairs at the Philippine Embassy in Washington, D.C., formerly headed by the late Ambassador Nicanor Jimenez; now, by retired General Tagumpay Nanadiego

And during our visit to the White House in November 1993, as already mentioned by Ambassador John Negroponte, I renewed the issue of such claims with our good friend, President Bill Clinton. He did not say outright yes, but neither did he say outright no. So, we will keep working on it now, with this renewed and strengthened relations between the Philippines and the United States.

To fast-track the registration of those Filipino veterans who have acquired U.S. citizenship but who have decided to remain in the Philippines, I have directed Justice Secretary Franklin Drilon to adopt a special procedure to register such veterans in collaboration with the U.S. Embassy and to create a special task force within his department to handle the registration and immigration problems.

Even as we undertake all of these, we realize that our efforts to improve the lot of our war veterans really are not enough, for they can never be enough.

### **Our tribute to heroism**

Whatever we do—the successor-generations—can only be partial recognition of what we owe them. Whatever we do can only be just a humble tribute to their courage and heroism.

We can never savor the blessings of peace and truly appreciate the value of human dignity unless we recall the rigors of war which our war veterans went through.

Let us make this day—and every day, for that matter—a day of dedication so that we not only honor the sacrifices of our war heroes and our war dead but also assure the younger Filipinos after us a brighter future than what ours has been.

On this day of gallantry and courage, let us rededicate ourselves to the task of bringing our people to their redemption and triumph so that we can fulfill the promise of this land of freedom, our beloved Philippines, carved out and built for us by generations of Filipino heroes.

*Source:* **Presidential Museum and Library**

**NATIONAL GOVERNMENT PORTAL – EDITED AT THE OFFICE OF THE PRESIDENT OF THE PHILIPPINES UNDER COMMONWEALTH ACT NO. 638**

**Speech of President Ramos during the Labor Day celebration, May 1, 1994**

**Speech  
of  
His Excellency Fidel V. Ramos  
President of the Philippines  
During the Labor Day celebration**

*[Delivered at the NFA MINPROCOR Compound, San Francisco del Monte, Quezon City, May 1, 1994]*

**A new spirit, a new unity**

*ANG PAGTITIPON natin sa agahang ito ay sagisag ng ating pagkakaisa at pakikiisa sa lahat ng mga manggagawang Pilipino sa loob at labas ng ating bansa.*

*Kapansin-pansin ang kaibahan sa mga nagdaang pagdiriwang ang ating sama-samang paggunita sa Araw ng Paggawa sa taong ito.*

*Marahil, sa kauna-unahang pagkakataon tayo ay hindi nakatuon lamang sa buslo ng benepisyo na karaniwang hinihingi ng mga manggagawa, at bilang ganti ay tinutugon naman ng Pamahalaan.*

*Bagama't hindi natin lubusang iwinawaaksi ang ganitong tradisyon, nakasentro ang ating okasyon ngayon sa mga ginagawa at inilulunsad ng buong tiwala ng mga manggagawa bilang kanilang kontribusyon sa ating "Philippines 2000."*

*Masasabing ang bagong pagtitiwala ng mga manggagawa sa kanyang sariling kakayahan at may mga matibay na bayatan. Sa loob ng nakalipas na dalawampo't dalawang buwan na aking panunungkulan, buong tiyaga at walang patid na itinayo natin ang mga pundasyon para sa tuloy-tuloy na pag-unlad at pagsulong ng bansa.*

It is with this realization that yesterday I signed a proclamation declaring the first week of May Labor Week. The week shall be highlighted by activities supportive of worker empowerment, farmers' and fishers' cooperatives, and industrial peace.

*Ang mga kinakailangan reporma ng pang-ekonomiya at pang-institusyon ay atin ding isinagawa at patuloy na ipatutupad—kagaya ng privatization, liberalization of trade, more progressive and effective tax measures, pagbubuwag ng monopoliya, tighter control sa mga gastusin ng Gobyerno, price stabilization, pagpapayabong sa mga kooperatiba at bureaucratic responsiveness.*

*Bilang karagdagan, pinagtuunan din natin ng pansin ang natutungkol sa physical and social infrastructure. Nalutas na natin ang power crisis. Ganoon din naman, naglunsad tayo ng health reforms at nadagdagan ang mga social and welfare benefits.*

**A national jobs program**

We have also adopted a national jobs program. Along with it, we will continue to strengthen training and counseling services—including technical assistance to promote livelihood and self-employment.

The plan aims to create jobs at the rate of 1.1 million yearly. It intends to reduce unemployment from 9.3 percent to 6.3 percent; and underemployment from 19.3 percent to 13.8 percent by 1998.

With the reforms already in place and our continuing commitment to work even harder, our economy should grow by at least 4.5 percent this year and by around 6 percent by 1995.

Our people are sought out as skilled workers by foreign countries. All over the world, Filipino workers are preferred for their skills and discipline in the workplace, as well as for their good manners and unusually quick and good-natured integration into their host communities.

The Filipino overseas worker has become one of the true heroes of economic recovery and national development. Your contributions help lift our troubled economy and lay the foundation for future growth.

The Filipino overseas worker is absolutely critical to Philippine development. Because you are a most valuable national resource, we shall go to all lengths to protect your rights and advance your interests. Our Government will stand by you. This is my pledge to our more than one million overseas workers.

But between now and “Philippines 2000,” we have a long arduous way to go. Given our diverse wills and objectives, success depends on how we can attain effective political unity.

Political unity—indeed—as a continuing challenge not only to the labor movement but also to the entire Filipino nation.

For us to achieve lasting political unity, we must deliver ourselves from the vicious habit of divisiveness. Unions must not only cultivate a tolerance of others but build bridges to ensure a peaceful, dynamic and productive coexistence.

### **A new cooperative owned and run by workers**

Later this morning, the ground-breaking ceremonies will be held for a new cooperative to be owned and operated entirely by workers. This cooperative is based on the time tested principle of self-help—and picks up from the unity displayed by the Federation of Free Workers, Trade Union Congress of the Philippines and the *Lakas Manggagawa* Labor Center in 1990, when they established a workers’ fund.

This fund shall now finance the operations of this new cooperative, which we shall call simply the “Workers’ Mart.”

Workers’ Mart is a market of modest stocks but ambitious intentions. It will sell the staples, including rice and sugar our brothers in the countryside have just harvested. These staples it will sell to workers at lower prices than those prevailing in commercial markets—because the stocks are to be drawn directly from producers.

As we celebrate Labor Day, our first Workers’ Mart should be an appropriate metaphor for the kind of dynamic unity and strength the labor movement must forge to remain relevant in a market-driven world.

My fellow workers:

Our pluralist democracy is founded on the principle of people empowerment in political diversity. We cannot expect—we do not expect—our labor movement to be unified on ideological grounds.

But our labor movement can certainly transcend its ideological differences—particularly now that the Age of Ideology is over. It can be politically unified by a shared vision, a common goal—because political unity is nothing more than a consensus to work together, independent of ideological motives, toward the social well-being of the Filipinos and the economic progress of the Filipino nation, including and especially its workers.

### **What Government is prepared to do**

*Bilang kabahagi sa inyong mithiin, ang Pamahalaan ay magsusumikap na palakasin pang lalo ang hanay ng mga manggagawa at pag-uukulan natin ng mataas na pagpapahalaga at paggalang ang makatwirang paggamit ng karapatang mag-organisa.*

Government shall ensure that labor standards are humane, decent and adequate. Here and now, I pledge to you, the representatives and leaders of our working people, that:

- There shall be no cheap labor in this country.
- There shall be equity in employment opportunity and benefits at all times.
- There shall be no sexual harassment in any form.
- There shall be no exploitation of children and women.

To this, my Administration and I are committed: to advance workers' rights as well as labor standards as our economy develops.

Government shall also ensure that all workers receive decent and affordable housing. Again, the Workers' Fund can be used for this purpose.

*Nasabi sa akin ang masidhi ninyong hangaring makakita ng "raw land" upang gawaing isang "Workers' Village."*

*Kaugnay nito, inaatasan ko ang Housing and Urban Development Coordinating Council na bumalangkas ng isang integrated housing master plan—sa loob ng tatlong buwan—na mag-uukol ng bahagi para sa isang Workers' Village sa lupa ng Gobyerno sa Moonwalk, Parañaque.*

*Tinatagubilinan ko rin ang Council na palawakin ang program nito sa pabahay—ang "guarantee facility" para sa housing projects ng mga manggagawa na nagtrabaho sa mga pangunahing industrial estates o mga "growth areas."*

*Ito'y tutugon hindi lamang sa suliranin sa pabahay ng mga manggagawa sa industrial zones. Maaaring mabawasan o maiwasan dahil dito pati ang problema sa transportasyon at "squatting."*

### **Labor justice shall not be delayed**

*Pang-samantala, ang National Home Mortgage and Finance Corporation ay inaatasan ko na pabilisin ang pag-proseso sa mga aplikasyon ng inihahain ng mga manggagawa upang ang pagkakaroon nila ng sariling lupa at bahay ay mapabilis din.*

*Inaatasan ko rin ang Department of Budget and Management ng madaliang pagpapalabas ng P127 milyong pondo na nauukol sa Workers' Organization and Development Program. Kaugnay nito, magkakaloob ang Department of Labor and Employment ng mga sumusunod na halaga mula sa pondong nabanggit: P6 milyon para sa KAMPI upang magamit sa pagsasanay tungo sa pagbubuo at pagpapaunlad ng mga kooperatiba at pangangalakal; at P3 milyon para sa Pambansang Tagapag-ugnay ng mga Manggagawa sa Bahay upang lumawak ang kaniyang mga kooperatiba at iba pang proyektong pangkabuhayan.*

Government shall further ensure that the dispensation of labor justice is not delayed. To expedite the disposition of labor cases, I sign today a new law amending the Labor Code which vests concurrent jurisdiction in the first, second, and the divisions of the National Labor Relations Commission.

Last year I directed the Commission to reduce its case backlog by 60 percent—by December. Now I am told the Commission should achieve zero backlog by the end of this year.

Government shall also continue to promote a harmonious industrial climate. We shall insist on maximum restraint in the use of lockouts and strikes—and on bilateral and tripartite consensus. And I assure you, labor shall continue to



have an effective voice—not just in Congress but also in the various policy-making boards. To this end, I announce that there shall be labor representatives in all NEDA board committees.

### **Acknowledgment of labor cooperation**

*Sa puntong ito, nais kong kilalanin at pahalagahan ang pagtuloy at pataas na kahandaan ng organisadong sektor na magbalangkas at pumaloob sa mga “social pacts.”*

*Ganoon din naman, pinupuri ko ang inyong aktibong pakikilahok sa mga tripartite forum. Kaugnay nito, inaasahan ko ang inyong masigasig na paglahok sa gaganaping National Tripartite Conference sa kalagitnaan ng Hulyo, upang tapusin na ang pangkabuuang pagsusuri at pagrepaso nga Labor Code.*

I also acknowledge the participation of organized labor in the consultations that resolved the petitions for wage increases and the rollback of oil prices.

I ask you to continue to take an active part in forming and implementing the national development agenda that supports structural reforms—particularly the liberalization of trade, investment and fiscal policies, and full-scale development of our human resources.

The way ahead will be long and hard.

But for as long as we share the sacrifices equitably—spreading safety nets for the most vulnerable social groups—then we will endure and prevail as a united people.

The union movement must share with its social partners the burden of retraining workers who may be displaced by structural reforms.

Relevant to this, I recently signed into law the Dual-Tech Program, which will combine in-plant with in-social training for all our young people who take up vocational and technical education.

In connection with social welfare and safety nets, I also sign into law today the bill allowing the portability of GSIS and SSS benefits.

I am pleased to approve also the recommendation of the Social Security Commission increasing by five percent across the board the monthly pensions of Social Security pensioners. This increase, which takes effect today, should help ameliorate the economic difficulties our pensioners may be facing. It will require no increase in the rate of contribution, and will come entirely out of the Social Security Fund.

*Hinihintay ko rin ang mga panukalang batas na magmumula sa Department of Labor and Employment tungkol sa Unemployment Assistance Program at isang National Health Insurance Program upang ang mga ito’y masertipikahan ko sa Kongreso.*

### **Industrial and political stability**

I also ask you, the leaders of the trade-union movement, to continue supporting the peace process—especially in the context of promoting industrial and political stability.

Above any sectoral interest of labor, political stability is the single, most important precondition for us to attract investments and generate more job opportunities for our workpeople. Without political stability, the labor movement can achieve neither real economic empowerment nor lasting unity.

Let me sum up my message to you on this May Day of 1994.

I am happy at the new spirit, the new sense of unity that you in the labor movement have forged for yourselves. This new unity will enable labor to speak with a more authoritative voice in our tripartite councils.

Because you are stronger, reciprocity—which is the essence of the industrial peace—should be easier for us to organize and achieve. Because you will be more self-confident, I expect you will also accept compromise with greater grace.

Reciprocity and compromise are the components of our tripartite social pact, which we shall need to renew—if the promise our economy has begun to show is to be fulfilled. Only by such Social Pacts for Empowered Economic Development can democracies like ours make their way toward newly industrializing country status.

### **Discarded formulas**

Some people continue to insist that a liberal democracy is not the appropriate political system for our country. They wrongly believe we Filipinos need authoritarian because we are an undisciplined and socially irresponsible people.

Others preach that only the fire of revolution will cleanse us of our historical flaws.

I disagree with these discarded formulas, which our people have found unacceptable.

*Nais kong bigyang diin na ang bunga ng demokrasya sa ating bansa ay hindi maaring yumabong sa pamamagitan ng pagsikil ng mga karapatan, o kayay makamtan pagdanak ng dugo.*

Only men of peace—through the implements of peace—can achieve true democracy.

*Wala tayong matatamo mula sa di-pagkakaisa at paghati-hati. Pagkakapit-bisig ang tanging paraan upang mabilis na matamo ang mga pangarap at hangarin ng ating mamamayan.*

*Kayo ang bumalangkas ng bagong anyo ng pagsasamahan. Ngayon, pangunahan ninyo ang landas natin tungo sa tagumpay.*

**Source: Presidential Museum and Library**

**Speech of President Ramos at the Third Annual Sikap-Gawa Awards of the Bishops-Businessmen's Conference on Human Development**

**Speech  
of  
His Excellency Fidel V. Ramos  
President of the Philippines  
At the third Annual *Sikap-Gawa* Awards of the Bishops-Businessmen's Conference on Human Development**

[Delivered at the Hotel Nikko Manila Garden, Makati, May 3, 1994]

**Pursuing industrial peace**

THIS EVENING truly belongs to this year's *Sikap-Gawa* awardees. These outstanding persons, as well as past winners, serve as role models in the various award categories in which they have obtained well-deserved recognition and merit.

Your praiseworthy individual achievements have collectively advanced the cause of industrial peace—a condition we all wish for but manage to attain only through great effort, sacrifice and submission to the greater good.

Industrial peace is an important objective, more so today, because it is crucial in bringing us closer to our quest for excellence, competitiveness, progress and prosperity in the soonest time.

**National need**

Peace is indeed much needed today in our country, whether it is in the frontlines of public safety between our uniformed forces and our estranged brothers who have been misled into taking up arms against the State or at the lines of confrontation that are sometimes drawn between employers and workers.

Industrial peace is being pursued in several areas. In fact, the *Sikap-Gawa* Awards are given to the persons who have made outstanding contributions to the advocacy of industrial peace; collective-bargaining negotiations and agreements; labor-management cooperation; productivity and quality; and training and research.

Without doubt the search for peace on the industrial front is being effectively pursued in all of these fields. Let me make a brief comment on each of them.

*Advocacy of industrial peace* is a most valuable endeavor, and provides the peacemaker or advocate with the opportunity to make the most direct impact on industrial relations.

Resolving labor-management disputes is a difficult task. It requires both the wisdom of Solomon and the patience of Job. The negotiator-peacemaker needs to be cool and levelheaded, for all too often he finds himself caught in the crossfire of contentious situations. But his consolation is that, as the Beatitudes declare: "Blessed are the peacemakers, for they shall inherit the earth."

*Labor-management cooperation* strengthens industrial peace, for it harmonizes and synergizes the relationship between the principal partners in production—labor and management. This peaceful partnership at the workplace is an idea whose time has come. All over the Philippines, workers and employers are forging social compacts among themselves, pledging adherence to a more interactive, consultative and productive mode of work.

**Labor-management committees**

A significantly increasing number of companies are establishing labor-management committees. These committees institutionalize a give-and-take relationship and serve as effective vehicles for deepening industrial harmony

between supervisors and workers at the shop-floor level, management and unions at the company level, and employers and national union leaders at the industrial and national level.

Your awardees tonight, as well as past honorees, are proficient and successful masters of establishing and cementing labor-management cooperation.

In this regard, let me also pay tribute to the two institutions that significantly contributed to spreading and having the idea of setting up labor-management committees take hold all over the land. I refer to the Center for Labor Relations Assistance of the Department of Trade and Industry and the School of Labor and Industrial Relations of the University of the Philippines.

We must exert our utmost to make industrial peace prevail in our workplaces, but we must regard this as a means and not an end-all. We must go further, for industrial peace makes possible and facilitates the accomplishment of other important goals.

### **Productivity and quality**

Unless harnessed to achieve tangible gains in productivity and quality, labor-management cooperation by itself could be a meaningless exercise.

The enhancement of *productivity and quality* can effectively make our economy truly globally competitive. It fortifies our bid to attain the status of a newly industrializing country, the goal we envision in the framework of development we call “Philippines 2000.”

When Philippine products and Filipino workmanship become internationally recognized, when our goods and services shall have earned a reputation for excellence, when our workers’ efforts shall have been consistently marked out as world-class, then we can claim to have arrived.

Thus I especially appreciate the BBC’s inclusion of productivity and quality among the *Sikap-Gawa* Award categories.

Collective-bargaining agreements (CBAs) compose the “social compacts” mutually formulated by workers and employers. But more than just agreements on the terms of employment, CBAs reflect democracy and social justice at work in our land. When employers and workers are able to forge these compacts to govern their work relationships in a just and peaceful process of negotiation, then we ensure the stability of industrial relations.

We cannot overestimate the value of training, research and education in each of the areas I mentioned and to the broader search for industrial peace.

While not directly involved in the labor-management interface, research provides enlightenment on the issues and specific matters of contention between labor and management. There can be no denying the worth of scientific information, empirical data and hard facts in the process of negotiations.

Training is a requisite for research, since workers and managers must know how to interact effectively in order to arrive at peaceful and cooperative modes of workplace relations.

As to basic education, I have always stressed that our system must provide a strong foundation in English, science, math and values with a curriculum that is at least comparable to our neighbors in ASEAN and other developing countries around the world.

Measures of educational achievements such as those in science, technology and mathematics have expanded, beyond mere national measures, to higher regional and international standards.

## **An event in science and technology**

The enactment of the Science and Technology Scholarship Law (Republic Act 7687) was an event because it signals a new, strong thrust in our efforts to develop our country's capabilities in science and technology, particularly the creation of a multidisciplinary pool of scientific and technological talent. With an annual target of about 3,500 scholars in science and technology under this law, we will not only input fresh talent into our stream of modernized agriculture and industrial expansion but also foster greater interest among the youth in science and technology courses.

Relevant to this, I also recently signed into law R.A. 7686, or the Dual-Tech Training Program—which will combine in-plant with in-school training for all our young people who take up vocational and technical education.

By concentrating on the development of new industries and new skills that require brain power more than large amounts of capital or material resources, we can leapfrog into the twenty-first century.

It can be done. The Filipino mind is up to the task, but it needs to be encouraged and supported as a matter of State policy.

The adversariness that had dominated the relationship between and among trade unions, employers and Government unfortunately remains with us, to some extent, today.

Since we restored democracy in 1986, however, we have made significant strides in fostering respect and cooperation among ourselves toward greater economic and political empowerment.

## **The age of global liberalization and competition**

Desirably, the programs we pursue must respond to the fast-changing world around us. This is a world that will not always wait for our consensus.

The growing economic competition in the global arena, fueled by the dizzying pace of technological progress, requires that we immediately put our house in order, shape up as a national team to compete, or otherwise perish.

The World Trade Organization is about to be operationalized. The various groupings—ASEAN/AFTA, the European Union, NAFTA and APEC, among others, demand much of us, as a national society, and will test our abilities to respond, to adapt and to excel. Our strategies for competitiveness must therefore be put in place and operationalized.

In the face of stiff global economic competition, the roles of companies and unions can no longer be that of gladiators engaged in a duel to the death, but that of seasoned diplomats peacefully and skillfully negotiating for mutually beneficial ends.

And in this arena, we must not be adversarial competitors, but team players with different but complementary roles to play. While some differences of opinion may remain among us and will be tolerated in our democracy, we should all be willing to make sectoral sacrifices for larger societal goals.

My Administration values all your contributions to the multisectoral summits and the consultations we have undertaken for structural reform. They have helped shape our policies and have guided us in considering our options for moving forward.

This is also why, despite the tempting overtures of forces both from within and without the country that call for galvanized and unilateral decisions of Government on economic and political issues, I have stuck to the consultative and consensus-building process.

For while the decisions we need to make might be slow in coming at first because of such consultations, the decisiveness with which we are able to carry them out afterward more than compensates for the little time lost. This will enable our economic recovery to proceed on the basis of sound judgment and resolute action.

*Source:* **Presidential Museum and Library**

Ramos, F. V. (1995). *From growth to modernization : raising the political capacity and strengthening the social commitments of the Philippine State*. [Manila] : Friends of Steady Eddie.

**NATIONAL GOVERNMENT PORTAL – EDITED AT THE OFFICE OF THE PRESIDENT OF THE PHILIPPINES UNDER COMMONWEALTH ACT NO. 638**

**Speech of President Ramos at the Fifteenth National Conference of the Employer's Confederation of the Philippines**

**Speech  
of  
His Excellency Fidel V. Ramos  
President of the Philippines  
At the fifteenth National Conference of the Employer's Confederation of the Philippines**

[Delivered at the Hotel Nikko Manila Garden, Makati, May 5, 1994]

**Structural  
for progress**

**reforms**

WHEN I ASSUMED the Presidency on June 30, 1992, our country was reeling from a serious recession resulting in our gross national product's dropping to near-zero in 1991. Our economic plight was an aberration in a region experiencing prosperity and dynamic growth.

We consulted many people. Their consensus was that the best—and perhaps the only—path to economic recovery and sustained growth was to put in place an aggressive structural adjustment program. This called for sweeping and basic reforms of our economic structure and institutions.

**A program with a human face**

How different then is our adjustment program from the failed programs of the past? The basic difference is that our adjustment program has a human face and a political will.

Past structural reforms were predominantly deflationary—which depressed incomes, stunted employment and prevented our physical and social infrastructures from being upgraded. Consequently, they brought about direct negative effects on the welfare of low-income to middle-income groups.

The elite, who made good use of their strong economic and political influence, were largely spared from the painful consequences of adjustment. At the same time, for lack of human will and consensus, the sapping effects of such factors as graft and corruption, inefficient tax collection and economic mismanagement could not be effectively contained.

And so, when I first presented to our people in late 1992 our development agenda for the next six years, I said that if human development needs are incompatible with structural development initiatives, “mitigating measures in economic policy will have to be considered.”

I also said then, and I say it now, that “to achieve growth in the economy at the expense of human development is to miss the point of economic development.”

Indeed the International Labor Organization, which we regard as a bulwark of social justice and tripartism, also stresses this principle. It points out that this humanistic approach is in keeping with the lessons gleaned from countries that carried out structural adjustments: that liberalization of economic policies cannot ignore the need for and must go hand in hand with the protection and development of human resources.

**Plans for structural adjustment**

We have lived up to the humanistic approach to structural adjustment in the process of formulating our new Philippine model. No matter how daunting it was, we did not shirk from the arduous task of securing consensus from the components of our society, including the so-called marginalized and basic sectors, on the strategies of structural adjustment that we should take.

Thus I convened an Executive-Legislative Economic Caucus on August 20, 1993, at which the country's top political leaders agreed on the following agenda of concerted action: 1) restructure the economy through coordinated legislative and executive action; and 2) provide safety nets for those who will be adversely affected by structural adjustments.

On September 8, 1993, we embarked on a multisectoral people's summit to expand the area of consultation and dialogue. The significant outcome of this summit was a Social Pact for Empowered Economic Development (SPEED), which commits every economic, social and political sector to a plan of action to carry out the following eight priority programs so that our country can move forward steadily and speedily:

1) Ensure national unity, justice, peace and security; 2) invest in human resources and generate employment; 3) ensure infrastructure support and adequate energy for development; 4) close the fiscal gap; 5) mobilize investment and level the playing field; 6) conserve the environment and ensure sustainable growth; 7) speed up agroindustrial development and promote food security; and 8) energize the bureaucracy.

These eight priority areas of action are not only contained in the Employers' Confederation's concept paper for the conference, but also are topics for serious discussion. These priority areas constitute the framework of the commitments of the various sectors, including employers.

At the last National Tripartite Conference on Structural Adjustments, held on January 10, 1994, the employers, together with labor and Government, not only agreed to collaborate on the structural adjustment program but to fulfill their sectoral commitments through specific action programs for the next four years.

### **A liberalized market**

There is no question that our version of structural reforms is unprecedented and may be considered radical by some. It must be so because we are engaged in overhauling past economic policies which caused the stagnation and decline of previous years. But these are now being carried out within the framework and consensus of our functioning democracy and not by dictatorship.

Our reforms seek to break for good the stranglehold of an entrenched inward-looking and import-led economic structure and to replace it with a fully liberalized system whose growth is trade and investment-led.

This new thrust, which had been paid only lip service in the past, should make the Philippine economy world-competitive. In due course, it will dramatically improve the quality of Filipino life.

The Government recognizes that structural reforms of such magnitude will have short-term costs. Some workers may lose jobs, especially those in highly protected and inefficient industries which may not be able to adjust and compete in a liberalized environment. Prices of goods and services may rise as the relatively weak peso is allowed to compete in the foreign-exchange market.

Recognizing this—and this is a major departure from previous adjustment programs—the Government is determined to cushion the effects of short-term costs by providing specific safety nets for those who would be hurt most by structural changes.

### **Regional and world developments**



But even as we strive to put our house in order, momentous events and developments are taking place in our region and in the world at large, and their effects on us may spell either danger or new opportunities, depending on the actions we take.

These developments lead toward the liberalization of the global economy. Such movements make it even more imperative that our country should be able to compete successfully with others if we are to survive.

The emerging realities of the global marketplace make it clear that for developing countries like the Philippines, sustained economic growth depends on closer cooperation with one another and integration into the global economy.

These realities will force industries to become more efficient so as to be able to offer consumers lower prices and high-quality services. They also make urgent the necessity of implementing structural reforms.

One of the more significant developments was the formal signing on April 5 of the Uruguay Round of the General Agreement on Tariffs and Trade, or GATT. This new accord takes effect on January 1, 1995.

One of the far-reaching provisions of the new agreement is the inclusion of additional areas under GATT: agriculture, services, textiles and clothing, intellectual property rights and investment measures.

According to some forecasts, the agreement could increase global trade by about \$750 billion by the year 2005 and thereby boost the world's total income by \$230 to \$270 billion a year.

How will this new agreement affect the competitive position of the Philippines in the global market?

There are pluses and minuses for the Philippines, and how we can maintain a favorable position on balance would depend largely on how our people respond to the ongoing structural reforms.

### **Some major pluses**

Some of the major pluses are:

1 Greater access of products such as electronics and agricultural commodities to the markets of our major trading partners, involving concessions in the form of average tariff cuts of 22 percent from the United States, 30 percent from the European Community, 45 percent from Japan and 51 percent from New Zealand.

2 Lower cost of goods for producers, exporters and consumers owing to the eventual phaseout of the home consumption value method of customs valuation.

3 Leveling of the playing field between the rich and poor countries, through the reduction of export subsidies, particularly in agriculture products.

The danger that must be construed as a challenge and opportunity is the real possibility that our country may eventually lose its preferential quotas for its garments and sugar exports to the United States, as well as the removal of tariff discounts under the Generalized System of Preferences.

In this part of the world, the ASEAN Free Trade Area (AFTA) is another reality of the trend toward international trade liberalization.

The Common Effective Preferential Tariff binds the ASEAN countries to remove obstacles to freer trade among them within 15 years from the tariff's date of effectivity. These include the abolition of high tariff rates of taxes on traded goods and the scrapping of quantitative restrictions and other nontariff barriers that limit the entry of imports.

AFTA confronts Philippine industries with the following challenges:

- 1 How to compete successfully with foreign companies in the ASEAN markets;
- 2 How to retain their comparative advantage over ASEAN and non-ASEAN imports in the domestic market;
- 3 How to achieve greater efficiency in the face of keener regional and worldwide competition.

We will be more prepared to meet these challenges if we carry out structural reforms effectively.

### **Crucial points**

Let me emphasize a number of crucial points on structural adjustment that this conference must consider.

As with other human undertakings, the structural adjustment program is not and cannot be a one-time and perfect social and economic instrument of reform.

While some of the best and noblest minds of the nation from all sectors have labored mightily and collectively to produce this instrument, it is by no means the final one, as it must continue to shape and be shaped by the dynamics of the environment it seeks to change.

Speaking of commitments, I call on all of you—employers, workers and concerned citizens—to keep going back to basics. As agreed upon in the Economic Summit and articulated in more specific terms in the National Tripartite Conference on Structural Adjustments, employers have pledged to provide safety nets especially for workers who may be adversely affected in the short term by structural reforms. A number of these safety nets are now embodied in many executive actions and some legislative proposals, but they all call on employers to take up a significant part of the burden we will have to bear.

I am sure that this time there will be no shirking of responsibilities and commitments by the participating sectors, including, of course, the employers.

### **Commitment to industrial peace**

I commend the Employers' Confederation for its unceasing efforts to reach out to its sectoral partner, labor, in our collective quest for industrial peace and harmony. Toward this direction, the Confederation has launched the Industrial Harmony Award, also known as the *Kapatiran sa Industriya* or *Kapatid* Award, which I strongly endorse.

Labor has publicly pledged its commitment to industrial peace in its covenants forged during last week's Labor Day observance. Labor leaders, our top businessmen and leaders of the Church also have pushed for industrial harmony at the shop floor, between union and company, and at national level through the *Sikap-Gawa* Awards of the Bishops-Businessmen's Conference on Human Development.

*Source:* **Presidential Museum and Library**

Ramos, F. V. (1995). *From growth to modernization : raising the political capacity and strengthening the social commitments of the Philippine State*. [Manila] : Friends of Steady Eddie.

**NATIONAL GOVERNMENT PORTAL – EDITED AT THE OFFICE OF THE PRESIDENT OF THE PHILIPPINES UNDER COMMONWEALTH ACT NO. 638**

**Speech of President Ramos at the 97th Anniversary of the Department of Finance**

**Speech  
of  
His Excellency Fidel V. Ramos  
President of the Philippines  
At the 97th Anniversary of the Department of Finance**

[Delivered in the Agrifina Circle, Ermita, Manila, May 16, 1994]

**Mobilizing  
for greater progress**

**our**

**resources**

A NATION without resources is a nation bound for self-extinction. History provides ample evidence of great empires that fell because of inadequate resources.

Owing to poor finances, the Byzantine empire was forever erased from the map of the world, and its glory, the extent of its military power, its golden age in arts and culture and scientific innovation were consigned to the dustbin of history.

A nation's capability to survive depends on its ability to marshal resources to finance the programs it needs—programs not only for its economic growth but also for diverse services such as security, enforcement of law and order, preservation of the environment, enhancement of health and education and the fostering of national unity.

**Intensive mobilization**

A nation unable to provide these basic services either falls prey to an external aggressor, or just falls apart into petty tribal divisions or prolonged chaos.

This is why intensive mobilization of our resources is one of the vital cogs of our development strategy. This is also why the Department of Finance is a lead player in our country's development.

Our Medium-term Philippine Development plan for 1993-98—which was drawn up with the active participation of your Department—is intended to ensure that this country will not go the way of the Byzantines. Rather, it should provide us with the means to prosper and to endure.

The Plan ensures that we will be able to generate adequate revenues to help raise our per capita GNP to at least US\$1,000 by 1998 and attain the status of a newly industrializing country (NIC) by the turn of the century. By that year we would have reduced the poverty level to 30 percent, from about 50 percent.

But reaching NIC status will be much more than a matter of making fervent wishes, or drafting the correct strategies.

It will require hard work, on the part of every Filipino, as we may have never known before, and the burden will fall most heavily on those of us in Government, who have made a compact with our people to give material substance and economic empowerment to their political freedom.

**Radical solutions**

NIC-hood will require a major change in our economic policies and in our attitudes. Our industries have been used to protection for a long time. Having been sheltered from the inroads of foreign competition, they have grown flaccid and dependent on the domestic markets, unable to improve the quality of their products to approximate their international competitors, and unable to export.

Thus smuggling remains a problem, at the same time that our balance-of-payments position remains shaky because many of our domestic industries are unable to generate enough export receipts to finance our import requirements.

Uplifting ourselves from our inability to compete globally, due to our failure to tap the best talents and skills of the Filipino, requires radical solutions. Palliatives will not work. These just serve to delay the problem until it resurfaces, much worse than it ever was.

Global competitiveness requires an overhaul of our tax and tariff system. To address this needed reform, I recently issued an order creating a task force with the Secretary of Finance as its head. I expect the task force to submit its recommendations and draft executive issuances as soon as possible.

The reform of our tax and tariff system is long overdue. Our tax system has been rendered inequitable by decades of piecemeal revenue measures and exemptions.

It has also been made obsolete by an international wave of liberalization and deregulation ushered in by the Uruguay Round agreements and the ASEAN Free Trade Area.

We must set our tax system right by making tax rates more equitable, broader-based and simpler to administer. This way, the costs of compliance are lower and the room for discretion—and the opportunity for graft and corruption—is narrower.

The enactment of the new expanded VAT Law (Republic Act 7716) is a major reform move in the right direction.

### **The progressivity of taxation**

At the same time, we can enhance the progressivity of taxation by globalizing taxes under a single schedule, instead of setting differential rates for each type of income.

But, to my mind, the best way to improve progressivity is by collecting income taxes more efficiently through computerization, procedural reforms and an expanded withholding system.

In the past, our reliance on international trade taxation has resulted in a bias against efficient sectors, especially those that contribute more to exports and those that contribute to uplifting the rural sector. Exports have been penalized by tariffs imposed on their inputs, while nonexporters have had a heyday with a captive domestic market that has been deprived of the basic right to decide more freely on what to buy.

Reliance on a limited market has instilled in most Filipino entrepreneurs the fear to compete. Many have lost confidence in their capabilities and, even in our own backyard, they feel threatened by the unfounded fear of foreign competition.

This is not the way to go, and we cannot allow this situation to persist. We are blessed with adequate natural resources. We are endowed with a vast pool of entrepreneurial talent—skilled, hardworking and well-motivated people. We do have comparative advantages arising out of our human and natural resources as well as our strategic location at the gateway of the Asia-Pacific region.

This human potential, which is now being used by employers most everywhere in the world, is an asset we ourselves have barely tapped. And our failure to tap it is due to our inability to compete.

## **How we can compete more effectively**

How do we tap the international market? How can we compete effectively?

First, we must regain faith in our own selves. We can compete toe to toe and head to head with the rest and the best of the world in many areas of economic enterprise.

Given a more favorable policy environment, we can export Philippine-made products to most countries. But for Philippine industry to emerge, we should liberalize imports, reduce and eventually remove protective tariffs, and open our markets to investments, products, ideas and opportunities.

We must make the market work to our advantage, not muzzle it with regulations, subsidies and other distortions. In a level playing field, our capability to compete, survive and win will surely emerge.

But the transition may be painful. Some industries which are inefficient may have to close down. Some industries may have to pay more in taxes. Consumers will have to get used to upswings and downturns in the prices of goods and services as they are affected by world developments.

This is why reforms directed toward liberalization and deregulation are usually unpopular. Affected sectors often block such reforms with passionate appeals to nationalism.

We should convince them, and our people at large, that true nationalism lies in securing the strategic advantage, the long-term gain, for our nation, rather than in perpetuating self-defeating palliatives or satisfying ourselves with instant gratification.

The benefits of reforms are not immediately achieved in the short term, but are more evident bountiful and enduring in the long run.

Many of the industries adversely affected by reforms in the beginning will likely be able to adjust. By replacing their antiquated machinery and investing in new equipment, by streamlining processes and procedures, by training young Filipinos to be more enterprising and competitive, by trying new marketing skills in global markets, they could be transformed into major players in the global market.

## **The essential tasks**

By doing away with unnecessary subsidies and ridding itself of unnecessary regulatory functions, Government can concentrate on its essential tasks—providing direction and information, and ensuring the health, education and security of its citizens.

Second, we must perform the tasks assigned to us to the best of our ability. Let us not fear to innovate. Let us make sure that what we do well today, we do better tomorrow.

The Department of Finance has been assigned a major role which it should play the best it can. It is tasked with raising an average of P415 billion in revenues annually from 1994 to 1998.

Your Department has to raise the tax effort this year to 16 percent. And we should not stop here. We should raise the tax effort further to 18 percent by 1998 to equal the average of ASEAN countries.

This will have to be achieved at the same time that we are cutting tariffs to make our exports more competitive. These tasks are not easy to perform, because they could be conflicting at the outset. We need the help of all Government departments, Congress and the private sector as well as the understanding support of the judiciary and multilateral institutions.

But if we look at the record of the Department of Finance, there is every reason to be optimistic. You have raised the tax effort from 10 percent in 1986 to about 15 percent last year.

Based on performance during the first quarter of this year, you have reported that the 16 percent is attainable in 1994. I am confident that the Department can meet its targets, especially considering that it has a hardworking professional secretary with an excellent record of public service.

### **The ultimate responsibility**

As you celebrate your ninety-seventh founding anniversary, I trust that you will gear up not only to attain your targets but also to exceed them. The bigger the strides we take on the road to reform, the earlier we shall reach the status of newly industrializing country to which we all aspire under our shared vision of Philippines 2000.

We have been lagging behind our ASEAN neighbors, and we cannot allow this situation to continue for much longer—for the sake of our children and our grandchildren, more than ours.

We cannot simply be serving the rest of the world, by exporting the best of our labor as overseas workers, while failing to address our own needs.

We must learn to take our future into our own hands and maintain control by ourselves of our own destiny. To be sure, we will need to receive help from our friends and neighbors, but the ultimate responsibility for our own growth and sustained development must still be ours.

*Source:* **Presidential Museum and Library**

Ramos, F. V. (1995). *From growth to modernization : raising the political capacity and strengthening the social commitments of the Philippine State*. [Manila] : Friends of Steady Eddie.

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PHILIPPINES UNDER COMMONWEALTH ACT NO. 638**

**Speech of President Ramos at the Thirty-sixth Biennial Convention of the National Federation of Women's  
Clubs**

**Speech  
of  
His Excellency Fidel V. Ramos  
President of the Philippines  
At the Thirty-sixth Biennial Convention of the National Federation of Women's Clubs**

*[Delivered in Malacañang, Manila, May 27, 1994]*

**Women's clubs and  
'Philippines 2000'**

LAST FEBRUARY 8, your president, Mrs. Leonarda Camacho, wrote me a letter, which I want to read into the records of your convention. It says:

Dear Mr. President:

[The] majority of our 300,000 members in Mindanao, [the] Visayas and Luzon have never seen any President of the country in their entire lives. They have never seen Malacañang, nor have they been to Manila.

[C]ould you please give an opportunity to at least 800 of them to see and hear you at our 36th biennial convention on May 27, 1994, at Malacañang?

The women will get the thrill of their lives . . . .

In my nearly two years in the Presidency, I cannot remember having received a more graceful and irresistible invitation.

**A women's world**

Actually, I did not need much persuasion to accept an invitation to address your convention, because all my life I have been related to and surrounded by women who have been involved in the work of the National Federation of Women's Clubs in the Philippines.

My mother, Angela Valdez-Ramos, as some of you will probably remember, served as a member of your board of directors immediately after World War II. As a young man, I often heard her talk to my father about the "Federation." I remember how she would solicit cash and goods from her friends abroad. And she cherished the many awards that she received from the Federation.

Nor was she the first to be involved in the work of the Federation. Her elder sister—my grandaunt, Mrs. Maria Valdez-Ventura, a well-known educator—served as vice-president of the Federation in the late 1920s.

Similarly, the women on Mrs. Ramos's side of the family have been active in your Federation. My mother-in-law, Mrs. Josefa Jara-Martinez, served as an active member for many years, and in 1948 her own mother, Emilia G. Jara, was selected by the Federation as "Outstanding Mother."

Today her daughter Ming—our beloved First Lady—is now your honorary president.

### **Hard-won rights**

But with or without this personal connection, I have the deepest admiration for the Federation and its work since it was organized in 1912. No women's organization has contributed more to the struggle for equality of Filipino womanhood—none has had more impact on the country's history.

Whenever I think of the Federation, I am always reminded that no right, no prerogative of women in this country has ever come as a gift. It was won, hard won, by women for women.

It is proud history that calls to mind the 20 courageous young women of Malolos, who in 1888 petitioned the Spanish governor-general for permission to open a “night school.” On the objections of the Spanish parish priest, the petition was turned down. But the young women defied the friar and the authorities, and continued to agitate for the opening of school—until finally permission was granted.

The incident caused a great stir in the Philippines and in Spain. And it was then that José Rizal wrote his famous letter to them on February 22, 1889. It read in part:

Now that you have set an example to those who, like you, long to have their eyes opened and be delivered from servitude, now hopes are awakened in us and we now even dare to face adversity because we have you for our allies and are confident of victory. No longer does the Filipina stand with her head bowed nor does she spend her time on her knees, because she is quickened by hope in the future; no longer will the mother contribute to keeping her daughter in darkness and bring her up in contempt and moral annihilation.

And no longer will the science of all sciences consist in blind submission to any unjust order, or in extreme complacency, nor will a courteous smile be deemed the only weapon against insult, or humble tears the ineffable panacea for all tribulations . . .

God will restore the pristine condition of the Filipina . . . because good qualities she has enough of and to spare. This is our dream, this is the desire we cherish in our hearts . . .

Upon this great inheritance we build our national future. So I have come here today not to flatter you, but to seek your support. Let us help each other bring “Philippines 2000” to living reality.

### **Half of our heart**

Let me be candid with you. I profoundly believe that unless we bring our women into the mainstream of this effort—totally engaged and committed—we will not get anywhere.

Again and again, in the rise of nations, this truth is unerringly demonstrated. For as Rizal also said, “Women are half of our heart, our companion in the joys and tribulations of life.”

In the many programs and reforms that make up Philippines 2000, there are important tasks wherein our women can hold up “half of our heart”—from planning to management to implementation.

In our campaign to make our country competitive in the world, we need the talents of our women, whose love of education and whose diligence are legendary.

Without belittling what Filipino domestics and entertainers abroad have achieved for themselves and contributed to the economy—and these are significant—I must say now that I plan and look toward a time when our women need not to go abroad to earn a good living, when they can stay at home to work and raise robust families, and when we



need never worry for their safety and welfare. I look to a time when we will leave it up to our men to brave the hazards of work abroad.

We are also engaged in environmental programs that are meant to bring back our rain forests, our marine life and abundant seas, and to reduce air, water and land pollution. The First Lady is now vigorously helping in the cleaning up of the Pasig River and the collection of recyclable garbage in Metro Manila. I hope that as your honorary president, the First Lady can count on the support of your 300,000 members.

We have programs in health that need your support in every barangay throughout the country. I now ask the Department of Health to get in touch with the Federation so you can be fully informed about those programs your members may be able to help.

### **What we can do for our country**

I am told that you are organizing cooperatives in your areas. Please remember that you have the Land Bank of the Philippines, the Department of the Interior and Local Government, the Department of Trade and Industry and the Development Bank of the Philippines at your service. They have loan programs you can avail yourselves of.

Finally, let me say something here about the programs of the Department of Environment and Natural Resources. I am deeply concerned about our environment, so much so that when I am invited to plant a ceremonial tree, I tell my hosts that I would be happy to plant ten trees.

We can liken the Federation to a tree planted in 1912. After 82 years, look at how it has grown, at the foliage of its leaves and its fruits.

It has grown because of the passion and dedication of the women who have nurtured it. And it will continue to grow because of the passion and the dedication of those who will carry on the work.

The ardent words of William Penn are as apt as ever for the work that we must all do for our country:

“I expect to pass through this world but once. Any good therefore that I can do, or any kindness or abilities that I can show to any fellow creature, let me do it now. Let me not defer or neglect it, for I shall not pass this way again.”

*Source:* **Presidential Museum and Library**

Ramos, F. V. (1995). *From growth to modernization : raising the political capacity and strengthening the social commitments of the Philippine State*. [Manila] : Friends of Steady Eddie.

**Speech of President Ramos at the dinner with participants in the Manila Meeting Speech  
of**

**His Excellency Fidel V. Ramos  
President of the Philippines**

**At the dinner with participants in the Manila Meeting**

[Delivered in Malacañang, Manila, May 31, 1994]

**‘Southeast Asia 2000’  
and beyond**

RURAL FILIPINOS often say the future is like a hen’s egg: it will either hatch or spoil.

In this sense, Southeast Asia owes you, the conferees, a vote of thanks. Because, by your thinking and dialoguing together, you are incubating our region’s prospects: to make sure they hatch into the kind of future we all want for our peoples.

If increasing anarchy in Bosnia and West Africa is a premonition of mankind’s future, East Asia’s increasing prosperity—in its post-Cold War stability—is another, more optimistic indication of mankind’s prospects.

The end of the Cold War has also given us in Southeast Asia the chance to take command of our own future.

**The power balance in Southeast Asia**

For instance, the United States Navy’s withdrawal from Subic Bay on November 24, 1992, ended an era during which—for 421 uninterrupted years—there was no single day that foreign troops were not based on Philippine soil.

Our country’s emergence from under America’s wings has given us Filipinos the opportunity to make our own history. Like any other coming of age, self-determination—particularly in a multipolar world—is complex and difficult, but it is also rewarding.

All of you are keenly aware of this new complexity in the regional power balance. As one of your colleagues, Peter Ho of Singapore, has pointed out:

“We can no longer expect the United States to continue to underpin by itself the security of the East Asian region. But there will be difficulties with either Japan or China taking up the slack—Japan because of the Pacific War, and China because of the historical tributary relationship and the Chinese populations in Southeast Asia.”

“Thus [Ho concludes] our only recourse is to strengthen our own network of linkages.”

**Other impulses to unification**

There are many positive as well as negative impulses driving our countries together. For example:

We must keep Southeast Asia nuclear-free in a world where the proliferation of nuclear weapons may now be the trend.

We must prevent any flare-up in the South China Sea—along the sealanes so vital to all Asia-Pacific countries. In that regard, I have, as you know, proposed demilitarization and a freeze on all destabilizing activities.

Above all, we must prevent the resurgence of narrow nationalisms in Southeast Asia. We must see to it that the small conflicts are resolved without delay so that these do not escalate into bigger ones.

### **Adopting the region's interests for our own**

I understand that some form of unification may be our logical next step as a regional grouping—but moving toward it will still take all the political will, all the collective sense of purpose, and all the idealism of our political leaders.

And the reason is that not every country will benefit equally from any form of unification right from the start.

In their dealings, as we know, states usually recognize no motive higher than their own national interest. But in this case, we must do more than look after the component interests of the member-nations.

From the very beginning of this venture, all our countries must adopt as their own the interests of the region as a whole.

If we do not take up “regionism” as our separate—and collective—cause, then any effort at unification will stumble along the way as some proposed regional unions elsewhere are experiencing.

If we do not agree there is a higher purpose than the immediate national interest which unification will serve, then we may be debating ceaselessly over the fine print—over every little detail, every little concession.

At that stage, Southeast Asian unity may become a product of our least common denominator—instead of welling up effortlessly from the ties of blood, language and culture.

### **The East Timor issue**

On the East Timor issue, my Government has been taking some hard knocks in the name of “regionism.”

If we had approached this problem entirely from the viewpoint of our immediate national interest—if we had approached it purely from the viewpoint of our Constitution—then we would have found it easy to allow that meeting to just take place.

But we chose to approach the problem concurrently from the viewpoint of our ASEAN commitments: in dealing with it, we chose to relate ASEAN bilateral and regional solidarity as primary considerations in upholding our national interest.

And we decided that we cannot allow the Philippines to be used as a platform for political propaganda against an ASEAN partner and brother-nation. So we are patiently taking our lumps—in the media here at home and abroad as well as from some of our own citizens—while firmly doing what we think is in our own national interest, which includes our desire for “regionism.”

To sum up: I urge you not to underestimate the difficulties of unification. But neither should you allow these difficulties to deter you from the mission you have taken up—as citizens of your countries and as Southeast Asians.

We Filipinos have a saying—“*Ang anumang agwat ay di mararating kung titingnan lamang at di lalakaran.*”

(“However the distance, we shall never get there—if all we do is look, and not start walking.”)

In this spirit, the time has come to add some legwork to our talking, thinking and dreaming about “Southeast Asia 2000” and beyond.

*Source:* **Presidential Museum and Library**

Ramos, F. V. (1995). *From growth to modernization : raising the political capacity and strengthening the social commitments of the Philippine State*. [Manila] : Friends of Steady Eddie.

**NATIONAL GOVERNMENT PORTAL – EDITED AT THE OFFICE OF THE PRESIDENT OF THE  
PHILIPPINES UNDER COMMONWEALTH ACT NO. 638**

**Speech of President Ramos at the 12th Anniversary of the Overseas Workers Welfare Administration**

**Speech  
of  
His Excellency Fidel V. Ramos  
President of the Philippines  
At the 12th Anniversary of the Overseas Workers Welfare Administration**

[Delivered at the Metropolitan Theater, Manila, June 9, 1994]

**Our  
propagandists**

**modern-day**

IN MEETING here today, so close to the observance of Independence Day in our country, I am reminded of another group of Filipinos who, over a century ago, bravely crossed the oceans into foreign soil.

They journeyed to Spain and other capitals of Europe, and yet were all the time thinking of home. They spent long years of exile abroad, but in this way were buying a chance for their countrymen to become a nation. They were our revolutionary propagandists, and they included some of the greater names in our nation's history—José Rizal, Marcelo del Pilar, Graciano Lopez Jaena, Juan and Antonio Luna. And it was they who first brought the Philippines and the Filipinos to the attention of the world.

**Counterparts**

It is not flattery or jest when I say that our overseas workers today are the nearest counterpart we have in our time to the propagandists of Rizal's time. Your courage to work in foreign lands, your devotion to family and home, and your contribution to the life of our nation are in every way as vital as what those illustrious Filipino travelers of long ago did for our people.

We might note this difference between the propagandists of the nineteenth century and the overseas contract workers of the twentieth century. In the cause of the propagandists, Filipinos here at home sent them money so they could live and study abroad. In the case of the overseas contract workers they send money from abroad so that their families may have a better life and the country can develop.

It is only fitting that once a year we should hold this "*Parangal sa Overseas Contract Workers*," because truly we owe them our tribute.

And it is good that this should coincide with the anniversary of the Overseas Workers Welfare Administration. For in bringing these two events together, we can address directly the tasks of honoring our overseas workers, and of looking into their welfare and that of their families.

**Awards for overseas contract workers**

Earlier, I had the privilege of presenting the San Lorenzo Ruiz Awards for overseas contract workers.

I congratulate all the awardees for the exceptional work; and I also would like to congratulate the Rotary Club of Makati-Legaspi district 3810, which, in cooperation with the Overseas Workers Welfare Administration, has founded and institutionalized these awards.

The premium placed here on honesty and dedication is one that should find a place in the hearts and minds of all our workers, whether in the country or abroad, in Government or in the private sector.

Honesty and dedication, as well as loyalty, are Filipino values that have shone brightly in many parts of the world, mainly through the example of our overseas workers.

The Rotary Club of Makati-Legaspi demonstrates its deep civic spirit by spearheading these awards. And the Overseas Workers Welfare Administration has performed an inestimable service by handling the spadework and initial screening through key posts abroad. I congratulate you for your joint achievement.

My heartfelt appreciation also goes to the 23 Filipinos who gave their invaluable services in the gallant effort to evacuate their fellow workers from strife-torn Yemen. They put love for countrymen above all else in total disregard of their own personal safety.

The recipients of these awards bring pride not only to our country. They bring to the world the excellence of the Filipino, expand the global reach of our innate skills and abilities, and demonstrate, in a quiet yet forceful way, the nobility of our race—our resilience, hardy spirit and total devotion to family and home.

Values are what matter most in the quest for national greatness. Our will to succeed, our courage and sacrifice, can surmount all limitations and take us to our destiny.

### **Results of consultations**

It has also been my pleasure to receive the consolidated report on the national consultations with our overseas contract workers. This document can guide us in doing the best for our overseas workers and their families. The welfare of our overseas contract workers deserves the highest priority and attention.

The officials and staff of the Overseas Workers Welfare Administration deserve our congratulations for completing these consultations with dispatch.

We are dealing today with more than 2 million overseas workers. If we count their family members and dependents, the total number could reach 12 million, nearly 20 percent of our population.

I am glad that this constituency is now being organized, consolidated and strengthened, especially through democratic consultations. I understand that there has been a bottom-to-top dialogue—starting at the municipal level and involving the broadest range of non-Government and people's organizations.

Broad grassroots participation has always been effective in percolating ideas and issues for decision-making. Your recommendations as based on experience shall be relevant and responsive to the pressing problems facing our overseas contract workers and their dependents.

I am, of course, speaking of fundamental problems like those related to recruitment and deployment, pre-employment assistance, on-site services, crisis intervention, repatriation, and postemployment livelihood programs.

Resolving these problems requires the highest form of cooperation and coordination, not only among those agencies within the Labor Department, but also among concerned Cabinet departments. I am happy to note that this has been ably demonstrated in several instances, the latest of which was the crisis in Yemen, where we were able to repatriate hundreds of our workers through a speedy inter-Governmental effort backed by foreign-based non-Government assistance.

The lessons we learned from this operation are quite clear, as they are applicable throughout the entire range of our endeavors: we must close ranks, act decisively and network effectively with our partners, whether they are foreign governments or non-Government entities, here and abroad.

## **Challenges at home**

Illegal recruitment continues to victimize a large number of our people. The problem must be attacked at the grassroots, where it has become widespread and prevalent. I therefore seek the cooperation of our Local Government units in institutionalizing anti-illegal recruitment mechanisms, with the involvement of our overseas contract workers through their organizations.

Beyond this, basic challenges we still face concern matters of welfare here at home: livelihood, shelter, education, health and nutrition. Families of overseas contract workers are not isolated from these realities. They may be a notch higher than the poor in terms of income, but they share the same anxieties and concerns, on top of the anguish of separation from their loved ones for extended periods.

That is why Government, like grandparents or foster parents, has much to do relative to the needs of the families who are left behind.

It is in this spirit that I direct the Overseas Workers Welfare Administration to intensify its program on reintegration, particularly its livelihood packages in the areas of financing and technical assistance. Efforts should be exerted to develop a strong domestic economic environment to encourage overseas contract workers to engage in livelihood enterprises here at home.

In the same direction, I urge the Overseas Workers Welfare Administration to reinvigorate its efforts toward setting up fully integrated communities of overseas contract workers that would incorporate a whole system of social, economic and public service components.

## **Community system**

I am speaking not merely of a housing program, but of a community system that would match skills with employment opportunities in the same area, provide downstream, part-time jobs for wives and young ones in the home, and productivity training right where the workers and industries are located.

For the purpose, I call on the Overseas Workers Welfare Administration to fast-track the implementation of the housing program and provide the funding to bridge the needs of the overseas contract workers in coordination with other agencies of Government.

This should serve as a showcase of vibrancy and self-sufficiency spearheaded by our overseas workers and their families—a model of productivity, discipline, *bayanihan at pagkakaisa* in a single community.

I order the Overseas Workers Welfare Administration to speed up the economic feasibility and sustainability studies that are necessary to give life to this concept. Let us go one step higher than the usual dole, loan or privilege programs. Let us shoot for the long-term, basic programs of self-reliant, cooperative enterprise.

Finally, let us put our overseas contract workers at the forefront of all these endeavors. They have the dynamism, the commitment and patriotism to make it work.

Let this concept be the cutting edge of all our priorities— like the campaign for overseas contract worker registration, broader decentralization of services in our regions, more comprehensive training activities, and increased capability building within the Overseas Workers Welfare Administration.

## **Right to development**

The Overseas Workers Welfare Administration should continue to bolster its streamlining program. We need a lean and mean organization. Formidable challenges loom on the horizon.

I believe it is also fair to speak of a human right to development—the right of the people, first, to improve the quality of their lives, and second, to achieve sustainable development for the benefit of future generations.

Today, more than ever, we must strive to emphasize this right alongside the cherished freedoms enjoyed by our people.

The right to development is essentially a right to dignity—a right to find one's place in the overall scheme of national greatness. In this, our overseas workers must be at the vanguard, and it is our common responsibility to place them there, together with the entire cast of heroic nation-builders.

Overseas employment will remain a major pillar of national development. And it will remain a tool for economic diplomacy and amity with other nations.

Yet, as I have said in the past, we must plan and look forward to the day when our country shall have gained enough economic strength to bring our workers home and reward them with commensurate benefits for their labors.

Distant though it still may be, that day is coming. Already, progress is beginning to stir in our country. The economy is moving with vigor. The energies of the nation are gathering with might. We are on the brink of record and sustained growth in our country.

And this is all because we have pulled together as one people.

We must all join hands in anticipating that day when our workers can come home to join their families, for no Filipino would want to be separated from his loved ones for so long.

We must aspire to a future where Filipinos have jobs in their own country—well-paid jobs close to home and family. This is a goal to which we must dedicate our will and effort.

Until then, however, overseas employment will be, and must be, an important part of our public policy and a pillar of the economy.

For this, I once more salute our overseas contract workers and their persevering families.

And for looking into their welfare, I commend the Overseas Workers Welfare Administration for a job well done.

*Source:* **Presidential Museum and Library**

Ramos, F. V. (1995). *From growth to modernization : raising the political capacity and strengthening the social commitments of the Philippine State*. [Manila] : Friends of Steady Eddie.



**NATIONAL GOVERNMENT PORTAL – EDITED AT THE OFFICE OF THE PRESIDENT OF THE PHILIPPINES UNDER COMMONWEALTH ACT NO. 638**

**Speech of President Ramos during the 6th Anniversary of the Comprehensive Agrarian Reform Program**

**Speech  
of  
His Excellency Fidel V. Ramos  
President of the Philippines  
During the Sixth Anniversary of the Comprehensive Agrarian Reform Program**

[Delivered in Malacañang, Manila, June 10, 1994]

**Productivity  
empowerment**

**and**

THE STORY of agrarian reform in our country stretches farther back than six years. By one reckoning, the struggle to achieve a just and permanent solution to our agrarian problem is more than four decades old.

Today, I am happy to tell you that, parallel to what is now happening to our economy, we are beginning to turn things around in agrarian reform. Likewise, it is evident that international support for our agrarian reform program is seeing a significant revival of interest.

**Foursquare behind agrarian reform**

In mid-1993 the European Community sent a consultant team to take a look at the program under this Administration. In their report, the consultants wrote:

We find it difficult to reconcile the view of the CARP as a conservative programme and of the Department of Agrarian Reform (DAR) as a slow-moving bureaucracy. We perceive a dynamic organisation with a clear vision and extraordinary commitment, striving to implement an agrarian reform law which, despite its shortcomings, can go a long way to achieving the redistributive justice and structural changes necessary to alleviate poverty. These improvements have clearly emerged under the Ramos Administration.

This is very gratifying indeed. At the minimum, it has restored the credibility of our agrarian reform program and greatly encouraged its implemented.

The key to this assessment of agrarian reform under my Administration is the faster distribution of lands—an indication of our firm political will to see the program through.

Our efforts have revitalized the agrarian reform program. They have resulted in a resurgence of good will and support from several countries, including South Korea, Sweden, Taiwan, Italy, Japan, the Netherlands and Belgium.

In 1993 a total of P828 million was made available by foreign agencies for the program. This includes the P467 million grant provided by the Japan International Cooperation Agency for the integrated Jala-jala rural development project.

Newly approved projects total P159.778 million, a part of which is the P2.8 million provided by the World Bank through the Land Bank of the Philippines for the nucleus rubber-estate project. Projects still in the pipeline of foreign funding partners total P5.7 billion.

**Unleashing rural potentials**

The surge of overseas backing brings home an important message: that agrarian reform is a most relevant reform measure in the Philippines.

The socioeconomic well-being we seek must be built from a base of agricultural productivity. This Government, therefore, is inextricably bound by its pact with the Filipino people to complete agrarian reform by the end of its term.

Let me make it clear, then, that my Administration is committed to agrarian reform. This commitment derives its mandate from Republic Act 6657—the Comprehensive Agrarian Reform Law.

But it is not enough to have the law on our side. There must be, in addition, the political will to carry out the law. There must be the foresight to pursue the broader framework of socioeconomic reforms that makes the law meaningful and effective.

Through CARP, we hope to release the untapped potential of our rural sector. We also aspire to bring about a genuine, just and lasting condition of peace and stability. This makes it possible for us to invest our energy and resources in building productive communities, rather than expending our assets on the management of insurgency and conflict, and the healing of wounds suffered therefrom.

Without a just and enduring peace, freedom and democracy are stifled and threatened. If Filipinos have made their mark on our world, it is that they are great lovers of democracy and freedom, as vividly demonstrated during those fateful days at EDSA in February 1986.

### **Agrarian reform and industrialization**

My Administration sees agrarian reform and industrialization as equally important and intimately interrelated goals. It has never been a matter of preferring one to the other.

Some may point out: Government is pursuing a policy of liberalization and instituting a market economy. Does not an interventionist policy like agrarian reform go against these goals?

Our answer, of course, is “no.”

The explanation lies in the unique feature of the country’s industrialization strategy, as spelled out in our shared vision of “Philippines 2000.”

Ours is an industrialization strategy that is closely intertwined with agricultural development and productivity. Rather, it is premised on the modernization and democratization of the agricultural sector.

Our countryside is dominated by small and landless lowland, as well as upland, farmers. For them, a major disincentive to greater productivity is the inequitable distribution of land-ownership.

Hence the agrarian issue has been a rallying point in the Filipino farmers’ struggle since the time of our forebears. Indeed, the need for agrarian reform was a major factor that precipitated the Philippine Revolution of 1896.

There are two sides to agrarian reform. First, it gives farmers ownership of the land they till; and second, it extends support services.

These are the elements that will enhance the productivity of the farmers, their incomes and their quality of life. It is our paramount goal to transform our farmers from being merely subsistence tillers into farmer-entrepreneurs.

Once this goal is achieved, our farmers will become a major source of services, investments, raw materials, manufactured product components and provide greater impetus for our industrialization effort.

### **Speeding up implementation**

As we recognize that growth is stimulated by investments, so we must also hold that investment should come not only from foreign sources. More important, it should come also from Filipino entrepreneurs who build upon a strong link between agriculture and industry.

Agrarian reform is a public good even if it is regulatory and interventionist. And it is necessary in order to correct social inequality in our nation.

What is unique about the current program is that it is time bound. We are mandated to complete agrarian reform by 1998.

Within the years remaining in the program, we must speed up its implementation. We no longer have the luxury of time. We have only four years to go and still have so much ground to cover. Meanwhile, our population continues to grow as available land remains constant.

Since 1972 the Government has managed to distribute a total of 2,775,635 hectares of public and private lands to former-beneficiaries. Of this, 856,755 hectares, or about 31 percent, have been acquired and distributed since July 1992, that is to say, during the Ramos Administration.

Therefore, in the two years that this Administration has been in office, it has managed to acquire and distribute the equivalent of one-third of all parcels of land distributed to farmer-beneficiaries under the program for the last 20 years. I am proud of this achievement.

### **More than just land distribution**

Of course, land distribution is just the start. Beyond land distribution, agrarian reform means developing the capabilities of our people—especially those to whom lands have been given—so that they become more efficient and competitive agricultural producers. In so doing, we promote the productivity and competitive advantage of the agriculture sector.

Concurrently, we make use of rural labor better than the administrations did in the past. We upgrade the rural base, and, consequently, we encourage the expansion of a domestic market for services and manufactured goods.

It is crucial, therefore, that we exert all effort to remedy the present inadequacy in delivering support services to farmer-beneficiaries.

How shall we do this?

I call on all concerned Government agencies like the Department of Agrarian Reform, the Department of Agriculture, the Department of Environment and Natural Resources, the Department of Trade and Industry and the National Irrigation Authority, and others to work diligently together to fast-track this situation.

All should intensify their efforts to devise and carry out a comprehensive production program that becomes available to each family head the moment he becomes a farmer-beneficiary.

Similarly, our agencies should give top priority to transforming the agrarian reform communities-of which we now have some 264 nationwide-into centers of agribusiness development. The performance of each department or agency will be measured according to the quality and degree of its support to the development of these communities.

### **Incentives for landowners**

For displaced landowners, Government is completing the set of incentive plans designed to encourage them to invest the proceeds of land sales in local, rural-based industries.

Agribusiness firms, both local and foreign, are being attracted and given incentives by the Government so that they become proactive participants of agrarian reform. We provide them with the stimulus to enter into leasehold, nucleus estate, contract-growing and other similar joint ventures with our farmer-beneficiaries.

Related to this, I call on the Government agencies to develop relevant training programs for agrarian-reform beneficiaries.

Such training should strive to reorient them to produce a steady supply of high-value agricultural products that can compete with the best in the world market. Our ultimate objective is to attain a highly productive agricultural sector based on small-farm production.

There is no doubt in my mind that the national leadership will largely complete agrarian reform by 1998. Indeed, my confidence is such that I see the need to start preparations now for what we ought to do after 1998.

Two things are particularly important.

First, the Department of Agrarian Reform should spearhead our collaboration with Congress to develop an appropriate land market for the country in the post-CARP period. This market should be deregulated and liberalized so that land becomes more easily available to the majority.

Second, we must complete and put in place our national land-use policy. Such a policy should guide conversions and allocations in a way that will maximize the return that can be realized from our limited land resources.

### **Anchor of our hopes**

We have pinned our hopes on CARP for a better quality of life for the majority of our people, who live and seek sustenance in the countryside.

When we speak of political will to complete agrarian reform, we do not mean the Government merely complies with the law. It means Government abiding by society's desire to wipe out poverty and build peace in our communities.

This is a process of empowerment, one that holds the promise of dramatically changing the socioeconomic life of our people in the countryside.

This is the message we want to impart: My Administration's deep commitment to agrarian reform is our commitment to the Filipino farmers and their families who stand to benefit from the program.

It is my commitment of democratization and empowerment to a potential ten million agrarian-reform beneficiaries who, under CARP, can acquire the means—which is land—to become positive contributors to the economy.

Working together with vigor and resolve, we can make this a reality.

*Source:* **Presidential Museum and Library**

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**NATIONAL GOVERNMENT PORTAL – EDITED AT THE OFFICE OF THE PRESIDENT OF THE  
PHILIPPINES UNDER COMMONWEALTH ACT NO. 638**

**Speech of President Ramos during the transfer of leadership in the Philippine National Police**

**Speech  
of  
His Excellency Fidel V. Ramos  
President of the Philippines  
During the Transfer of Leadership in the Philippine National Police**

[Delivered in Camp Crame, Quezon City, July 9, 1994]

**Time for renewal**

WE ARE GATHERED here today to witness the transfer of leadership in the Philippine National Police (PNP)—a rite of passage that never fails to evoke in us feelings of sadness and expectation.

This change signifies, as it does today, that we close a chapter in an organization's history.

And the turnover ceremony provides a fitting occasion to recall the incumbent's achievements, and a leadership that we must, regretfully, relinquish. It is a painful moment, more so for all who leaned on him for strength and guidance.

And as we firmly move on to a new chapter, we nurture high hopes that the leadership passes on to a worthy successor, and that we will have a yet stronger and a more effective organization. For the turnover represents not only an end but also and, more important, a beginning, a renewal.

**The PNP reform process**

We cherished these high hopes of reinvigoration here in May last year when I presided over the turnover of the PNP command to General Umberto A. Rodriguez.

Today we can proudly say we were not disappointed in our hopes, and that our trust and confidence in General Rodriguez were well placed.

General Rodriguez took over as PNP chief at a critical period, when the service was besieged by continuous crises within and without. At that time there was a great public outcry over scalawags in the organization tarnishing the shield of the PNP.

It was against this backdrop that we started a wide-ranging reform aimed to raise the level of effectiveness of the police service and to restore public trust in the organization.

This reform culminated in the changing of leaders at various levels—the infusion of new blood and vigor in the PNP chain of command.

General Rodriguez was an important element of the process of reform. In assuming the top post, he was expected to give his best and continue enhancing the professionalism and image of the PNP.

He proved a wise choice. With a firm and even hand, with wisdom and discernment, he guided the organization at a critical moment and placed it on the road to recovery.

Today we commend and offer our thanks to General Rodriguez for his worthy achievements in pursuing *Oplan Paglalansag*, or the dismantling of private armed groups, and in assiduously pressing on with *Oplan Pagbabago*, aimed to enhance value formation and further weed out the unworthy and the inefficient.

Full recovery for the PNP, however, is still a long way off. And retirement has caught up with General Rodriguez.

### **A new leader**

Today we wish him Godspeed as he embarks on new endeavors, and we welcome his equally able successor, Director General Recaredo Sarmiento II.

General Sarmiento is eminently suited to assume the top leadership in the PNP.

He has an outstanding record as an officer. He brings to the top post a wealth of experience as Capcom director, special action force commander, provincial commander and other key positions in various regions of our country.

I personally know him as a man of integrity having a no. nonsense style of leadership, and utterly dedicated to the goals and programs of our Government.

These qualities will be positive assets in the further transformation of this organization. Indeed his main challenge-as it is of everyone in the police service-it to continue rebuilding the PNP into one that our people can fully depend on.

### **What the organization stands for**

In this changing of the guard, it is necessary to remind once more the members of the PNP of what the organization stands for, and to rededicate themselves to the missions they must accomplish to be worthy stewards of the public trust.

The PNP is a vital institution of the Republic, created to protect the people's welfare and safety, and uphold their rights through effective law enforcement, crime prevention and a relentless campaign against lawbreakers.

Historically, the PNP has also been tasked to defend the constitutional Government against dissidence and rebellion.

Your main mission is to keep our homes and streets safe and keep criminals from conducting their nefarious activities so that the citizenry can go about their normal pursuits without disturbance while enhancing the republic's stability in the nation's march toward modernization and progress.

### **Tasks and challenges**

Carrying out this mission is a great challenge to all of you in the force.

The organization has been saddled by such constraints as lack of adequately trained personnel, insufficient logistic support, faulty recruitment mechanisms, and an inadequate compensation program that is not commensurate to the risks faced and service rendered by police officers.

I am aware of these constraints and appreciate the sacrifices you must make to compensate for them.

Let me assure you that we will continue to take measures to overcome these inadequacies, particularly that of improving working conditions in the organization. We know only too well that any resource put into the PNP to resolve its internal problems is well spent, because it will ultimately redound to more effective service for the people.

From without, the PNP has to deal with public apathy, exemplified by the refusal of victims to press charges against offenders or the reluctance of witnesses to testify in court against criminals.

That is why it is so important to improve the image and fortify the backbone of the service so as to win public cooperation and support, which are vital to the accomplishment of your missions.

### **Keeping a clear vision**

We can look for help from no one else but ourselves. On this front, we cannot afford to lose, for defeat signifies the end of the usefulness of this organization. We must restore the sheen of the PNP shield, increase its credibility by rendering each day, honest, dedicated and effective work.

We must always keep our visions for the PNP clearly in sight. There is the never-ending task to prevent and suppress crime, to protect the nation's internal security, to maintain peace and order, and to enforce the law faithfully.

Without civic order, public peace and security, we cannot hope to attain our greater vision of socioeconomic recovery and growth, of a better tomorrow for ourselves and our children.

That is why your organization is a vital Government institution. You are guardians not only of peace and order as law enforcers, but also of progress. You are an active partner in the national effort to push our beloved Philippines out of its poverty and on to a respected place in the community of nations.

The PNP, I should like to believe, has weathered the worst and now can renew its commitments to the nation with greater chances of success.

I now would like to see more effective actions and positive accomplishments, for nothing can refurbish the PNP's image better than solid achievements against criminals and crime.

I have great faith in your capacity for hard work and sacrifice, and your desire to contribute to the internalization of reforms in the organization and in the public service.

I am confident that you will give your new chief the support and cooperation he will need to attain the PNP's vision of an effective, efficient and newly energized organization. We need such an organization to underpin our shared vision of "Philippines 2000."

To director General Sarmiento and to all the members of the PNP, I say: Give me a better report card by the end of 1994 and advance with all sectors in our quest for excellence, peace and progress.

*Source:* **Presidential Museum and Library**

Ramos, F. V. (1995). *From growth to modernization : raising the political capacity and strengthening the social commitments of the Philippine State*. [Manila] : Friends of Steady Eddie.



**NATIONAL GOVERNMENT PORTAL – EDITED AT THE OFFICE OF THE PRESIDENT OF THE PHILIPPINES UNDER COMMONWEALTH ACT NO. 638**

**Speech of President Ramos at the Asia Pacific Forum on Securities Market Regulation and Supervision**

**Speech  
of  
His Excellency Fidel V. Ramos  
President of the Philippines  
At the Asia-Pacific Forum on Securities Market Regulation and Supervision**

[Delivered in Asian Development Bank Building, 6 ADB Avenue, Mandaluyong City, July 11, 1994]

**Mobilizing capital for  
Asia-Pacific development**

NO TRUER WORDS can be said of this Forum than to describe it as timely and fitting. Timely because many Asian economies today are making the transition from inward-looking and highly protected financial systems to more outward-looking, market-oriented systems.

And fitting because the liberalization of the financial sectors, of which the securities markets form an important part, clearly needs to be tempered by proper oversight and financial prudence if it is to reach the desired goal of mobilizing resources for development.

**Regulation vs. deregulation**

To describe this meeting in these terms is to underscore a paradox. Why, some will wonder, do our governments and the Asian Development Bank talk about regulation at a time when the fashionable call of the hour is deregulation, liberalization and market-freeing policies?

The answer of course is plain. However it may value freedom, the market economy first and last also needs a rudder or a steering mechanism in order to work properly. There are indeed many areas where business must be fully allowed to do its thing, free from the interference of government. But there remain critical areas where, as Woodrow Wilson once put it, “without the watchful interference, the resolute interference of the government, there can be no fair play.”

Just as Government regulation has enabled us to confidently drink our water, eat our food, take our medication, drive our cars and perform countless tasks without thought of peril, so also do we need Government oversight over the transactions that daily take place in our securities.

This then is the paradox: as we free market forces in the economy, Government must also be more capable and effective in policing fraud and wrongdoing. As we encourage businessmen and investors to freely transact and do their business, we must guard against a free-for-all situation.

**Developmental role**

Experience tells us how painful and costly disruptions in securities markets can be. Many have been the times when stock markets have collapsed, wiping out fortunes overnight and driving people to poverty and hardship. The New York stock-market crash in 1929 may be the biggest ever and most memorable, but it is hardly the only one.

A deeper and better understanding of how the system can operate most effectively for the stability of markets is an imperative for government. But just as in economic management as a whole, stability is a key step toward sustained

growth, so in our securities industry, stabilization forms part of a much larger process of developing the securities market to achieve the greater benefit for all.

The role of regulatory authorities is not limited to regulating the operation of markets. More important, especially in the context of an emerging market like the Philippines, they are a force for the development of the capital market itself.

This is, however, easier said than done. The achievement of a more efficient and effective system is a long, hard road. There are no quick formulas for success. Past practices die hard; faulty policies take time to change; and entrenched interests are never easily dislodged.

These are the reasons why governments must take the greatest care to establish regulatory authorities with the proper mix of experience and ideas, correct motivation and firm conviction, and the support and wherewithal to achieve national goals. In the last analysis, success requires the concerted effort of a determined government, an honest and disciplined business community, and an enlightened and educated investing population and workforce.

And then, of course, every country does well to try and learn from the happy experience of others.

This is why forums like this are very useful and necessary. And this is why we look forward to seeing the results of the regional study commissioned by the Asian Development Bank on regulatory and supervisory frameworks and practices in selected ASEAN member countries.

In discussing the study's findings at this forum, each of our governments can take counsel and insight into how we can improve the regulation and supervision of our markets, including writing new and sound policies where need be.

### **The Philippine experience**

In terms of age, as President Sato has pointed out, the Philippines has one of the oldest securities industries in the region, as well as one of the older regulatory agencies in the Securities and Exchange Commission. Yet despite its long years of existence, the Philippine securities industry still has to achieve its full potential.

With the hope of contributing to your discussions, let me describe here briefly some of the history and character of our securities industry.

The securities market in the Philippines may be categorized into three distinct types of securities issue: equity, fixed income and government. The early beginnings of the industry date back to the establishment of the Manila Stock Exchange in 1927, when the Philippines was still under the colonial

Up to the beginning of the thirties, about 15 common stocks were listed; by 1932 these had increased to 20. These stocks were concentrated in mining shares, principally gold, as the Philippines then was one of the main suppliers of gold in the world market. Much later, commercial and industrial issues were listed.

In 1963 the Makati Stock Exchange came into being. Mining issues continued to predominate in the 1960s. In fact, a copper mining boom in 1969 drove the market to unprecedented highs. In the financial sector, commercial and thrift banks, and insurance companies were the popularly accepted institutions.

During this period, a new form of financial intermediary—the investment house—emerged. The short-term money market, which was promoted actively by the investment houses, rapidly grew and developed an interbank market, allowing commercial banks to adjust their reserve positions.

### **The ambit of regulation**

In 1965 an intercompany market was developed through which corporate borrowers were able to tap the funds generated by investment houses, which in turn issued their promissory notes directly to investors. As the investors became more sophisticated, issuers of debt securities sold their securities directly to investors with investment houses as the medium. Successively, new forms of instruments were floated: Government securities (such as Treasury bills), commercial papers and certain forms of bankers' and trade acceptances.

In 1968 the repurchase agreement, a form of two-name paper which helped to match securities in the secondary market, came into full use. During this period, the underwriting of securities also started to flourish with several large issues being brought to market. Subsequently, trust certificates were issued by banks in reaction to the inroads being made by investment houses in their traditional markets.

Yet, not until 1974 was the money market brought within the ambit of regulation. In 1982 the Credit Information Bureau, a credit rating agency, was established, initially under the wings of the Philippine Central Bank, to provide an impartial source of credit information for investors and conduct an objective evaluation of securities issued.

Today, we have expanded commercial banks, also known as universal banks, which can engage in both commercial and investment banking. Also today, there are 180 companies listed on the stock exchange.

It would not surprise any of you that during the years of authoritarianism in the Philippines—particularly from 1980 to 1986—no new securities issues were offered to the public. The stock market was practically asleep.

### **Reforming the securities firms**

Since 1986, however, after the EDSA revolution, new public offerings have helped to revive the market. In 1993 alone, some P11 billion (approximately \$400 million) was raised through new issues. Market capitalization, although still small in comparative terms, had risen to more than P760 billion (about \$28 billion) at the end of 1993, from just about P18 billion at the close of the seventies.

Behind this greater volume in resource mobilization are a number of reforms we have carried out in the long-term securities market. For more than three decades, this country had two stock exchanges which listed and traded practically the same security issues. After much discussion and debate, we in Government succeeded in marrying the two stock exchanges into what is now the Philippine Stock Exchange.

In addition, foreign financial institutions are now allowed to operate their own securities firms in the country and some 30 such firms have been registered. The trading of securities has been fully automated. The system of clearing, settlements and central depository is also being upgraded and modernized along the lines recommended by the Group of 30

The Asian Development Bank and other multilateral organizations have provided funding and other forms of assistance to these efforts at reform. The Bank has provided technical assistance in reviewing reforms which our stock exchanges could undertake. A bond market study was also prepared. It has helped, I am told, to set up the first major venture capital fund in the country and to analyze resource transfers through regional mutual funds which invest in the Philippines.

In our program to develop our domestic capital market, the Bank has been a key pillar of support. The program envisions:

The strengthening of the regulatory framework and the supervisory capabilities of the Securities and Exchange Commission;

The institution of mechanisms to ensure the fair, efficient and transparent trading and distribution of securities;

An increase in the supply of securities and a broadening of the investor base;

The establishment of a sound legal framework for the development of a mutual-fund industry.

### **A basic pillar for “Philippines 2000”**

The program for developing the capital market is among the basic pillars that underpin our national vision of “Philippines 2000.” We cannot get anywhere in this far-reaching program for modernization unless we substantially improve our capacity for resource mobilization and the system’s allocative efficiency. To achieve its growth targets, Philippines 2000 will require substantial injections of capital, particularly in infrastructure, which an efficient capital market can help raise from both local and foreign sources.

For the program to work, the role of key players is clearly defined. The Government will continue to play a central, although supportive, role. The modes of intervention need to shift from basically regulatory to a developmental one, and policies which foster market competition, a level playing field and the growth and development of private enterprise will be vigorously pursued.

It is also recognized that internal changes and reform to be effective must take full stock of development within the region as well as in the international markets. Linkages such as those provided by this forum and by more formal structures will continue to be established to improve the country’s know-how, capabilities and responsiveness.

On the whole, therefore, we in the Philippines are confident that we are now marching in step with the rest of the region. Though domestic and foreign investments are growing substantially now, we are still not satisfied with the numbers. We believe we can do better, and we will do better—especially as foreign investors see our country’s improved level of economic performance this year and in the coming years.

### **Asia-Pacific on the march**

In the Asia-Pacific as a whole, the time is especially hopeful for stimulating private investment and encouraging capital flows to developing countries. The tide is rising because the capital flow is powered, not just by altruism, but more vitally by economic dynamism. Our peoples and governments are responding to the development challenge and showing results.

The improvement in regional peace and stability has greatly contributed to this happy turn of events. As nearly all our countries have turned their attention to development, and away from military competition and arms buildup, the Asia-Pacific is finally beginning to realize its real destiny—a progressive regional community at peace.

In this pragmatic effort of building and rebuilding, the Asian Development Bank has always been our steadfast ally and supporter. No institution could be more aptly named.

Your meeting here in our capital lays one more enduring building block in the edifice of the new Asia-Pacific. You tackle a vital facet of our economic horizons, and the answers you provide will doubtless spell incalculable benefits for our securities markets, our countries and our region.

*Source:* **Presidential Museum and Library**

Ramos, F. V. (1995). *From growth to modernization : raising the political capacity and strengthening the social commitments of the Philippine State*. [Manila] : Friends of Steady Eddie.

**NATIONAL GOVERNMENT PORTAL – EDITED AT THE OFFICE OF THE PRESIDENT OF THE PHILIPPINES UNDER COMMONWEALTH ACT NO. 638**

**Speech of President Ramos at the Ninety-sixth Anniversary and the Gawad Mabini Award ceremony of the Department of Foreign Affairs**

**Speech  
of  
His Excellency Fidel V. Ramos  
President of the Philippines  
At the Ninety-sixth Anniversary and the *Gawad Mabini* Award ceremony of the Department of Foreign Affairs**

[Delivered in Malacañang, Manila, July 11, 1994]

**In the frontline of peace**

THE FOREIGN SERVICE has required the best of the Filipino, and could count the best Filipinos among its ranks.

No better proof of this exists than the fact that, in spite of Secretary Romulo's protestations, I have pirated half a dozen of you to work for me.

I continue to count on the Department of Foreign Affairs to carry on with the work of the nation's diplomacy with the energy, vibrancy and vitality that are demanded in today's conduct of international relations.

**Old alliances, new friends**

I have made our shared vision of "Philippines 2000" the driving force of my Administration. Its success will depend largely on how well we can seize the challenges and opportunities that confront our nation in this fast-changing world—a dynamic world increasingly and rapidly being transformed by free, open and competitive economic forces.

Thus I have pursued a vigorous program of economic diplomacy, to gain for us the goodwill and the support of new friends the world over, while revitalizing old and historic alliances.

You, the men and women of the foreign service, have a crucial role to play in ensuring our success. The Filipino people look to you to bring to our friends and neighbors around the world the news that the Philippines is back in business in the part of the Asia-Pacific region.

Our people rely on your creative intellect to craft the responsive strategies to safeguard our nation and bring stability in our region in these uncertain but hopeful times.

The *Gawad Mabini* is a symbol of our country's gratitude in recognition of the men and women who have rendered distinguished service to the Republic of the Philippines in international relations. Today I have just conferred the rank of *Dakilang Kamanong* on four of your illustrious leaders who are worthy of emulation and from whom we can find inspiration in their achievements, their self-sacrifice, their love of country and their dedication to Government service.

**Sterling examples**

In former President Diosdado Macapagal, a man who rose from humble beginnings, you shall find the character of eloquence, integrity and astuteness, characteristics which you, being the primary negotiators for our country's international agreements, must imbibe.

From former Secretary of Foreign Affairs Narciso R. Ramos's example, whose vision and significant contributions to the formation of the Association of Southeast Asian Nations, as one of its founding fathers, continue to guide us in forging closer ties with our neighbors to this day, should inculcate in you an acute sensitivity to the needs of our beloved Philippines.

The sterling examples of Ambassadors Hortencio Brillantes and Narciso G. Reyes, who consistently led the cause of Third World political and economic interests at various United Nations forums in Geneva and New York, should motivate you to pursue the highest standards of excellence in the conduct of Philippine diplomacy.

With these high expectations, you must continue to work harder than you ever have—for the best is yet to come. You must persist in giving your best wherever you may be.

I know that you have to perform difficult, sometimes back-breaking, sometimes even risky missions, often over long hours, with little material reward.

Our brethren who find themselves in alien lands put their trust in you to protect and assist them at all times. As they look to the outside world, the Filipino people depend on you for help, comfort and guidance.

### **The tasks within**

At the same time, you will need to perform many tasks within the Department Foreign Affairs to ensure a consistently high quality of service and performance.

This will require, for example, our insistence on fairness in foreign posting and assignments, for all kinds of personnel and appointees.

We may also need to reorient and update our thinking, to uphold our new priorities in development diplomacy. As we emphasize economics and science and technology, among other things, we should ensure that the DFA's best qualified people are assigned to these concerns.

The training programs of the Foreign Service Institute should focus on tools and networks, and not just on facts which can be self-taught.

In other words, the DFA should reflect in its programs and policies our most urgent priorities and concerns, if we are to claim our rightful place in the community and progressive nations, where the Filipino should hold his head high.

The award of the *Gawad Mabini*, as I have said, is given to deserving officers and employees of the Department of Foreign Affairs, as well as to Filipinos who have rendered distinguished service or promoted our country's interests at home or abroad. This year's awardees deserve our deepest appreciation and gratitude.

To all others in the DFA, I say: as well as you have done your jobs, I have no doubt that you can do better and do more.

*Source:* **Presidential Museum and Library**

Ramos, F. V. (1995). *From growth to modernization : raising the political capacity and strengthening the social commitments of the Philippine State*. [Manila] : Friends of Steady Eddie.

**Speech of President Ramos at the State banquet hosted by the Sultan and Yang di Pertuan of Negara Brunei Darussalam, Istana Nurul Iman, Bandar Seri Begawan his State visit to Brunei Darussalam**

**Speech  
of  
His Excellency Fidel V. Ramos  
President of the Philippines  
At the State banquet hosted by the Sultan and Yang di Pertuan of Negara Brunei Darussalam, Istana Nurul Iman, Bandar Seri Begawan his State visit to Brunei Darussalam**

[Released on August 6, 1994]

**A time of opportunity  
for neighbors**

PHILIPPINE OBSERVERS have commented that our visit to your country is the last of my State visits to ASEAN countries. This is only true insofar as I am making my official State visit to Brunei Darussalam today.

But in fact, as Your Majesty will remember, the very first country I visited after my installation as President of the Philippines was Brunei Darussalam—and that was when I came in October 1992 to attend the silver anniversary of Your Majesty's ascension to the throne.

I point this out to underscore a vital factor about the nature of ASEAN today—which is the sense of community we feel for one another.

**Concert of purpose and vision**

We measure kinship among our nations—neither in terms of size and population, nor in terms of wealth and proximity. Our measure is something deeper—the values of community and cooperation we all embrace, and the vision of a unified Southeast Asia we all entertain.

We treasure contact with each other because of the kindred feeling we have nurtured across the centuries and the value we attach today to each other's friendship. And this is the way it is between us Filipinos and all the peoples of ASEAN.

Among us, there is a concert of purpose and vision for our region that did not exist until our leaders collectively forged it during this decade.

And we know why we are standing together now, which we did not do before. This is a time of opportunity for our peoples and our countries.

Our economies are not just on the move today; they are developing faster than they ever did before. We also know that we can build and ensure a better future—if we build it together.

The ASEAN countries have begun to carry out the process of establishing the ASEAN Free Trade Area (AFTA). To us, AFTA embodies the hopes of all for prosperity through regional cooperation.

**Building zones of growth**

In the same way, our countries have marked out and started building zones of growth in areas where our territories meet and intersect. In this spirit, our East ASEAN Growth Area (EAGA) is rising, with both the Philippines and Brunei Darussalam actively involved.

As important, we look together to the peace and stability that must underpin our labors if sustained progress and development are to be achieved.

Less than a month ago, in Bangkok, we in ASEAN launched the ASEAN Regional Forum, under which we propose to examine questions of security and peace in our region in the light of the end of the Cold War.

We invited other nations of East Asia and the Pacific to share with us their views and perceptions of the security situation in our region and work out measures to build confidence together, reduce tensions in the region, resolve conflicts and—ultimately—prevent conflict itself.

As we approach the twenty-first century, the new realities in our region give rise to the necessity for a broader vision of Southeast Asian solidarity. That vision encompasses all the ten Southeast Asian nations in solidarity, in one community. We look forward to the day when all of Southeast Asia will become part of the ASEAN family, formally as well as in spirit.

### **Relations with Brunei**

Your Majesty, as there is a collective dimension to our relationship, there is also its indispensable bilateral side.

I have come here, Your Majesty, to express to you my official and personal appreciation for all that you have done and are doing to strengthen friendship between our peoples and governments.

Your support of initiatives and programs for the development of both our countries has been unfailingly consistent and generous. As we enhance trade and economic cooperation between us, particularly through the East ASEAN Growth Area, Brunei's participation is invaluable.

Today, we are beginning to see the fruits of Philippine-Bruneian cooperation in many ventures. And these are only the beginning.

In the same spirit, I want to express our people's gratitude to Your Majesty for the business and employment opportunities that your country has provided for thousands of Filipinos working in Brunei Darussalam.

The gains from these arrangements for our two countries are incalculable. They spell benefits not only in economic terms but also in terms of social concerns and people-to-people friendship, on which our relations are truly founded.

### **The Philippine experience**

Your Majesty, when I visited your capital two years ago, I knew that we came under some cloud of doubt as to what the Philippines—chronically in crisis and decline—could possibly contribute to a relationship with a neighbor and to ASEAN as a whole.

Coming back today, I can say that the Philippines and the Filipino people are now in a much better position to perform and to contribute substantially to the building of a fruitful bilateral relationship and a greater ASEAN community.

Over these past two years of reform and rebuilding, we have made significant gains in recharging our national life. National unity and political stability have been strengthened. Our economy is on the road to sustained and sustainable growth, as reform policies have been put in place and pursued. We have regained the confidence of the international community and acquired greater self-confidence as a nation. And we continue to adopt and implement structural reforms that ultimately and soon will make us more competitive in the world.

### **Peace, stability and progress**



Upon this foundation of reform and achievement, I venture to reiterate to Your Majesty our desire to raise, on this visit, the level of our bilateral economic cooperation today. Let us expand our trade, investment and tourism exchanges and join together in taking advantage of opportunities that rise in the dynamic region of which we both are a part.

Members of our governments and business communities, starting today, can more effectively work out concrete ways whereby this can be done.

If there is one enduring theme about our two countries and about ASEAN today, it is that we are proving the doubters wrong. We are proving that we can make social and economic development happen in our part of the world. And we are proving that the time is foreseeable when progress in Southeast Asia will match the great achievements of the Western world.

In the current issue of *Asiaweek*, there is an interesting report about the rise of the so-called Malay world, of which we Filipinos and Bruneians are deemed to be a part. There is a lively debate whether there is such a thing as a Malay race to which we and our neighbors belong. But there is no debate that we are a region “growing more confident in ourselves and proud of our achievements.”

Brunei Darussalam and the Philippines form part of the pillar of this new Southeast Asian political, economic and social structure—a modern-day reality that ASEAN has held in erecting.

It is on the Southeast Asian community where both the Philippines and Brunei Darussalam must anchor their peoples-welfare and security, and propel their development and prosperity. It is here where we can attain a regime of enduring peace, stability and progress for the peoples of our region, and contribute to harmony and understanding in the world.

*Source:* **Presidential Museum and Library**

Ramos, F. V. (1995). *From growth to modernization : raising the political capacity and strengthening the social commitments of the Philippine State*. [Manila] : Friends of Steady Eddie.

## **Speech of President Ramos on signing into law of various bills on education**

### **Speech of His Excellency Fidel V. Ramos President of the Philippines On signing into law of various bills on education**

[Delivered at Malacañang, Manila, August 25, 1994]

#### **Reforms of education**

#### **for**

#### **quality**

TODAY WE BREAK new ground, and aim for higher goals in the Filipino's continuing search for means by which to win the future.

We stand at the frontier of major and far-reaching improvements in education. We leave behind the darkness of ignorance and backwardness caused by the lack of quality education. Ahead beckons a horizon of hope and opportunity for a great number of our people.

We can go far into that horizon, if—as we do today—we commit ourselves and our resources fully to the growth of the Filipino mind.

We very often speak of growth and of growth objectives in material terms. And that, to me, is a necessary and gainful endeavor. But surely, you and I must realize that material growth cannot be achieved without a corresponding effort to increase our people's intellectual capacity and moral strength.

#### **Improving the reach and quality of education**

That is the task of education, which—more than being just a means to wealth—is the right of every citizen to receive, and the responsibility of Government to provide.

Today we renew and strengthen that commitment as we sign into law several bills to reform education. Together with those previously enacted, these new laws should make a major difference in the reach and the quality of the education we can provide our people.

Surely, all these collectively will also promote people empowerment, global competitiveness and sustainable development pursuant to our shared vision of “Philippines 2000.”

During the first two years of my Administration, we addressed ourselves to providing universal access to education for our schoolchildren.

We have established elementary schools in barangays and high schools in municipalities where there were none, and started the offering of Grades One to Six through an alternative strategy of multigrade teaching.

I am happy to report that our programs are now largely in place, and that adequate budgetary resources have been allocated to meet our targets.

#### **Initiatives**

Today, we must step up our efforts to improve the quality of education.

At the basic level, we see a need to strengthen the teaching of English, science and mathematics. We also recognize the importance of promoting basic Filipino values such as love of country, pride in being a Filipino, honesty, civic consciousness and respect for law and order, among others.

Following these principles, and in all our schools today, we must prepare young Filipinos and students to be responsible, productive and enlightened citizens of a much higher quality than they are now.

We have liberalized regulations for private tertiary schools and rationalized the operations of State colleges and universities. These moves have resulted in more relevant and responsive program offerings for the postsecondary technical and vocational course, as well as tertiary degree programs.

These initiatives will enable us very soon to produce a globally competitive human resource base. And this will be true not only in Metro Manila, but also and especially in the countryside and our far-flung regions.

As the twenty-first century approaches, we will need to be more competitive in science and information technology. The main battleground of the future will be in these areas, and we cannot wait until the battle is upon us to prepare ourselves for its challenges.

Our schools, our colleges, our universities and our manpower training centers must therefore refocus their programs to reflect this higher priority.

The family of vital education reform bills enacted by Congress and approved by me since February this year manifests our national commitment to this urgent need.

One new law establishes a science and technology scholarship program which will finance annually the education of some 3,500 poor, talented and deserving students who will form the pool of the country's science and technology manpower.

### **Structural reforms in education**

Another is the dual training law which institutionalizes a novel concept of education and training through a combination of in-school and in-plant process.

The recent abolition of the National Collegiate Entrance Examination enhances enrollment by our high-school graduates in short-term, nondegree technical-vocational courses. A technical-vocational student no longer has to bear the stigma of failure, but can now look forward to doing his best where aptitude lies.

These structural reforms in education are being put in place just as we shape up for takeoff in terms of sustained growth and long-term socioeconomic development.

At this point, the need to match supply and demand for quality and high-tech manpower services is crucial. With the liberalization of the flow of services and goods within ASEAN and the Asia-Pacific region, it is imperative for educational and training programs to change so as to meet regional and global standards of excellence and to gear themselves toward the delivery of high-tech and high-value services.

These structural reforms will provide for a more focused supervision and monitoring of the efficiency and effectiveness of elementary and secondary programs by the Department of Education, Culture and Sports.

This will apply as well to postsecondary nondegree technical and vocational programs, through the Technical Education and Skills Development Authority; and to tertiary degree programs, by the newly established Commission on Higher Education.

### **Other reforms**

Among the other educational reforms that I have recently promulgated are four which deserve special mention on this occasion.

These are (1) creating a Legal Education Board; (2) establishing centers of excellence in teacher education; (3) lengthening the school calendar; and (4) amending Section 25 of Batas Pambansa 232 (Education Act of 1982).

The Legal Education Board will address the need to improve our legal education system, particularly in such vital areas as the proper selection of law students, maintaining the quality of law schools, and requiring legal apprenticeship and continuing legal education.

A national system of excellence for teacher education established under Republic Act 7784 should strengthen preservice education of teachers nationwide.

At the same time, there will be increased student-teacher contact time and therefore an anticipated improvement in pupil achievement by the lengthening of the school calendar to 220 days. With respect to Section 25 of Batas Pambansa 232 on the establishment of schools—a major concern of private-school administrators represented by the Confederation of Coordination Councils of Private Educational Associations—the law now allows the establishment also of stock educational corporations, but exempts family-administered preschools from the requirement to incorporate.

For sure, there will be more reforms and improvements required of our educational system. But I believe that we now have enough good laws to support our most urgent priorities.

This body of educational reforms, especially, will ensure that we not only improve the quality of education, provide enhanced government assistance for deserving schools and encourage professionalism even at the preservice level.

It is now for the Departments of Education, Science and Technology, Labor, the Commission on Higher Education and other executive agencies to follow through on these legislative initiatives, through aggressive implementing programs at the executive level.

### **Productive investments**

I close by expressing once more my deep appreciation to all of you for your contributions toward the legislative-executive agenda that will make Philippine education work for our people as we move in the twenty-first century.

I especially thank Senate President Edgardo Angara, chairman of the Congressional Commission on Education, and Speaker Jose de Venecia for their legislative statesmanship in steering these long-delayed educational reforms successfully through Congress. Equally deserving of our commendations are the authors and sponsors of these key measures. I thank also our education officials in the public and private sectors, and the leaders of academe for their valued contributions.

I am grateful as well as to our special friends, such as the delegation from the Association of Filipino Teachers in America, who spend their summers in the Philippines conducting a “*Balik-Turo*” program, in coordination with the Education Department and the Commission on Overseas Workers.

With the kind of enthusiasm and cooperation displayed by our leaders and concerned citizens these days, I am doubly certain that our investments in the development of the Filipino youth and the Filipino mind will be among the most productive we have ever made, and will redound most significantly to the welfare of the Filipino people.

*Source:* **Presidential Museum and Library**

Ramos, F. V. (1995). *From growth to modernization : raising the political capacity and strengthening the social commitments of the Philippine State*. [Manila] : Friends of Steady Eddie.



**NATIONAL GOVERNMENT PORTAL – EDITED AT THE OFFICE OF THE PRESIDENT OF THE  
PHILIPPINES UNDER COMMONWEALTH ACT NO. 638**

**Speech of President Ramos at a luncheon hosted by President Oscar Scalfaro of Italy on his official visit to  
Italy**

**Speech  
of  
His Excellency Fidel V. Ramos  
President of the Philippines  
At a luncheon hosted by President Oscar Scalfaro of Italy on his official visit to Italy**

[Delivered at the Palazzo del Quirinale, Rome, September 9, 1994]

**From  
to partnership**

**friendship**

IT IS FITTING that in our journey to Europe, our first stop should be here in Italy, which spread civilization in Europe, not once but twice. First, during the time of the Roman Empire, when Rome was the capital of classical glory. And then again during the Dark Ages, when Italian creativity and dynamism carried the Renaissance from Rome all the way to Moscow.

Visiting your country, Mr. President, I can understand why Samuel Johnson was moved to declare that “any man who has not been in Italy is always conscious of an inferiority.”

**Kinship with Italy**

And yet it is not as a stranger that I visit your country, Mr. President.

Our two peoples and governments look back to nearly half a century of diplomatic relations between them, and much, much longer in terms of contact and cultural exchange.

Immediately after the Second World War and just a year after our recovery of independence on July 4, 1946, we established diplomatic relations on July 9, 1947—relations which over the past 47 years have grown in strength and meaning.

But our sense of kinship stretches much farther back into the past. After discovery by Ferdinand Magellan on March 16, 1521, the Philippines became and remains today the only predominantly Catholic country in the Orient. Similarly, it was the European Renaissance and Enlightenment that fed our people’s aspirations to nationhood, which we first attained on June 12, 1898.

Remarkably also, Italy and the Philippines are so demographically and geographically alike, it is uncanny. You live in a land area of 116,300 square miles; we thrive on a space of 115,800 miles

Italy has a population of 58 million; there are 65 million Filipinos today. There was a time when Italy was more populous than the Philippines. But on this matter, at least, you have to do a lot of catching up with us.

**Shared democratic ideals**

And then there is our ardent and shared belief in democratic principles.

Mr. President, we do not forget that in March 1986, just after the People Power Revolution in the Philippines in February 1986, the Honorable Bruno Corti, then Italy's Undersecretary of State for Foreign Affairs, visited Manila to show Italy's support for the rebirth of our democracy and the accession of the Government of President Corazón Aquino.

That was an exciting and promising time for our country, but it was also a difficult time of transition. Traditional as well as new forces sought to reverse or divert the directions of the nation. As some of you will no doubt still remember, seven coup attempts were made against the Aquino Administration, and seven times we repelled the challenge.

In each of those times, our constitutional Government got the steadfast support of the Italian Government. Indeed, in September 1987—just a few weeks after the August 1987 coup attempt which nearly toppled the Aquino Government—the Honorable Gilberto Bonalumi, then your Undersecretary of State for Foreign Affairs, visited Manila to reaffirm Italy's support for Philippine democracy.

### **A new time in the Philippines**

Mr. President, things are much more quiet in Manila these days. The frustrated mutinies and coups are now but a bad memory. There is still much excitement in our country, but it is excitement of another kind—the excitement of nation building, of global enterprise, of modernization.

Almost miraculously, from the country that was always in the world news because of the chronic coups and political violence, the Philippines is being talked about today for its economic dynamism and political stability.

We are back on the map of investors, traders and tourists. We are no longer the sick man in the most dynamic growth region in the world today—East Asia.

And we have accomplished this feat, not at the expense of our democracy, but through democratic initiative, debate and consensus. We are making democracy work in the Philippines, in much the same way that it is working here in Italy.

### **Toward partnership**

This dramatic and promising change is the reason for our journey to Italy—and Europe—at this time.

When the Philippines was at its darkest hour, Italy, unbidden, came as a friend to offer help. Now that the clouds have cleared, Mr. President, and we are seeing the dawn of a new day, we ask you, our friends, to come and visit with us again.

Such a visit would be worthwhile even if only to see for yourself how the republic you supported has survived and become one of Asia's most stable and thriving democracies today.

But there is even more for us to explore and build today. Italy can take part in the economic modernization of the Philippines, but partaking of the vast opportunities for trade and investment that have opened up.

Besides meeting therefore with the officials of your Government, Mr. President, I hope also to meet leaders of your business community.

Between our two countries, there already exist economic and political ties that are strong and meaningful, and it is part of our relationship that thousands of Filipinos are living and working in Italy today. We thank you for your hospitality to them.

But there is much, much more we can build between us—now that the Philippines has the capability and momentum to approximate Italy's vigor and enterprise.

Mr. President, we have the opportunity to forge a new partnership that will redound to the lasting benefit of our countries and our peoples.

You have always been our dependable friends. Let us now be partners in the future of the Philippines and the entire Asia-Pacific region.

*Source:* **Presidential Museum and Library**

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**NATIONAL GOVERNMENT PORTAL – EDITED AT THE OFFICE OF THE PRESIDENT OF THE PHILIPPINES UNDER COMMONWEALTH ACT NO. 638**

**Speech of President Ramos at a dinner hosted by Prime Minister and Mrs. Felipe González on the occasion of his official visit to Spain**

**Speech  
of  
His Excellency Fidel V. Ramos  
President of the Philippines  
At a dinner hosted by Prime Minister and Mrs. Felipe González on the occasion of his official visit to Spain**

[Delivered at the Palacio de la Moncloa, Madrid, Spain, September 12, 1994]

**A new and stronger bridge**

IT HAS BEEN three decades since a Philippine President last visited your country. I am deeply honored to have been the one to renew our countries' historic friendship.

For Filipinos, visiting Spain is like returning to our ancestral home. For here we find familiar sights and remembered sounds from our own past. Here we can trace many threads of our national memory, and many strands of our national culture, to their source.

The extraordinary, unfailing and exquisite courtesies Their Majesties extended to us since the day of our arrival sustain the certitude of our sentiment—our feeling that, here in Spain, we have found ourselves at home.

**A sense of affinity**

We consider these gestures of Their Majesties to spring from the goodwill that the people of Spain feel for the Philippines and the Filipinos: from the Spanish people's sense of affinity with us.

We are certain these manifestations of goodwill and affinity arise also out of the obvious generosity of Their Majesties' personal natures and from the warmth and greatness of their own hearts. These in turn reflect the true character of the people of Spain.

In the same way, Mr. Prime Minister, this gracious dinner and the kind words you have just spoken manifest the magnanimity of your own character and that of Mrs. González.

They express the esteem of the Government and people of Spain for the Government and people of the Philippines.

**Toward a new relationship**

More than that, they are a statement of your Government's and your people's desire—a desire our Government and people share—for a new relationship between our two countries.

For these, we thank Your Excellency and the Government that you lead.

On behalf of our people, we thank the Government and people of Spain for manifesting their solidarity with the Philippines by way of their unfailing support for the Philippines' interests and concerns.

This has included the endorsement which Spain so promptly expressed for the re-establishment and consolidation of our democracy—an endorsement which Spain, among all countries, was the first to extend.

Spain's invaluable support was reiterated on the occasion of Your Excellency's memorable visit to the Philippines in 1988.

I wish to assure you, Mr. Prime Minister, of our gratitude, and of the inestimable value that our Government and people place on the history we share, and the way Spain has enriched our culture.

### **Philippine welcome for the Infanta**

This sentiment sustained the welcome we extended to Her Royal Highness, the Infanta Doña Elena, when she visited us in May this year.

It underlies our appreciation for the establishment in Manila of the Instituto Cervantes, which Her Royal Highness inaugurated on that occasion.

It supports our determination to encourage the learning of the Spanish language in our country and elsewhere in Asia. It affirms our resolve to enrich our people's familiarity with our common history.

That history will acquire new meaning for the Filipino people as we prepare to celebrate, in 1998, the centennial of the Philippines' Independence from Spain.

While 1898 may have marked an inevitable separation, we see 1998 as an opportunity to reaffirm our shared historical and cultural past with Spain and Latin America. The experience and the wisdom of a century should bring us back together, in a new and stronger friendship based on our common commitment to democracy and to the well-being of our peoples.

### **Traversing the chasm**

We realize, however, Mr. Prime Minister, as I am sure you do, that national sentiment remains ephemeral unless it finds expression in something substantial and meaningful for the people of today, and unless it is sustained and nourished by concrete manifestations now and in the future.

Long though our common history may be, and close though our cultural affinity may be—our relationship must be energized and activated over the entire range of human endeavor so that it acquires a larger meaning, expands, and endures.

The Philippines and Spain are separated by oceans and continents. Nevertheless, the intrepid navigator, Ferdinand Magellan, sailing under the Spanish flag, traversed that geographic chasm, changing for all time the history of both the Philippines and Spain and much of the rest of the world.

He accomplished this transcendent feat in an age when it required enormous courage, a powerful will and extraordinary vision to do so.

Magellan demonstrated that with these qualities, it was possible to bridge the great distance between your peninsula and our islands even in his time.

Today it should not be as difficult to do so, particularly in the light of the miracle of modern transportation and communication. It is thus all the more disappointing, despite the history and sentiments we share, that the trade and other economic transactions between our two countries have been at such a low level.

### **Building a new bridge of commerce**

We have therefore made this visit to Spain to build a new bridge between the Philippines and Spain, a sturdy bridge of commerce, finance and technology. And we build this bridge on the strong foundations of our history, our cultural affinity and the values that we share.

For us, this visit is as much an enterprise for the future as a journey to the past. It is an occasion and an opportunity for substantive encounters between those who will pursue what we have begun today. These will be our business leaders and captains of industry, who will be working on that bridge from both ends.

On my delegation are a substantial number of the Philippines' leading businessmen and industrialists, some of whom are with us this evening.

I consider it an accomplishment for me to have held serious discussions with major Spanish business and corporate leaders during this brief visit, encounters that we regard as hardly less important than those that we have had with leaders and administrators of the Spanish Government

Thanks largely to Your Excellency's leadership, the Spanish economy has steadily gained in strength.

We have also undertaken basic reforms in the Philippines, which restored political stability and regenerated our economy. Our policies for growth and liberalization have succeeded in setting us on the path of steady and rapid growth.

These promising developments in both our countries offer our business sector and yours opportunities for a level of economic interaction between the Philippines and Spain higher than anything achieved before.

Spain is a part of the European Union that is expanding in membership and deepening in integration. The Philippines belongs to ASEAN. This regional association is also about to broaden in membership, has taken on new tasks for itself, and has embarked on the creation of an ASEAN Free Trade Area.

The success of our regional associations multiplies the opportunities for economic exchange between our countries, provided they remain open to each other and to the world.

Certainly, ASEAN does not envision the building of barriers between it and the rest of the world. The Philippines, for one, is committed to the steady liberalization of its economy, both internally and in its relations with the world. This commitment includes the ratification of the final act of the Uruguay Round.

### **Spain's gateway to East Asia**

The Philippines sees itself—and would be happy to serve—as Spain's gateway to Asia.

Mr. Prime Minister, the ties of history and culture between the Philippines and Spain acquire meaning in today's world only if they find concrete expression in practical economic and other human interaction.

At the same time, this interaction is nurtured by the history and culture that we have in common and, more than history and culture, by our common adherence and devotion to the ideals and convictions that our peoples share.

We find this in our commitment to human rights and the dignity of the individual person, democracy, and the political and economic empowerment of the people.

This sense of community between us was immensely strengthened by our parallel experiences emerging—in our recent histories—from authoritarianism to democracy.

In that transition, our peoples had similar aspirations, our fledgling democracies were threatened by similar attempts to kill them in their infancy. And we overcame the threats with similar combinations of political resolve, social and economic reforms, and the collective will of the people.

Many elements, all mutually reinforcing, thus bind us and our peoples together—our culture, our histories, both recent and long ago, the values that we hold in common, and the new opportunities that our two countries and our two regions now offer to us.

It is now for us and the present generation of our peoples to build on these foundations a new relationship that will, in concrete terms, benefit us all.

This visit of the President of the Philippines to the Kingdom of Spain is an act that should give impetus to that new relationship.

*Source:* **Presidential Museum and Library**

Ramos, F. V. (1995). *From growth to modernization : raising the political capacity and strengthening the social commitments of the Philippine State*. [Manila] : Friends of Steady Eddie.

**Speech of President Ramos at a dinner hosted by Foreign Minister Alain Juppe of France on President Ramos' visit to France**

**Speech  
of  
His Excellency Fidel V. Ramos  
President of the Philippines  
At a dinner hosted by Foreign Minister Alain Juppe of France  
On President Ramos's visit to France**

[Delivered in Palais des Affaires Etrangeres, Paris, September 13, 1994]

**A partnership in freedom**

MR. MINISTER, in an important sense, we come not as strangers to your country. It is said France is "the homeland of the rights of man." If so, every Filipino is also a citizen in this homeland. For as liberty is an immutable part of being French, so is it of being Filipino.

This kinship lies not only in the struggles of the past, which are dutifully recalled on ceremonial occasions like this. It continues in the struggles of our own time.

**Franco-Philippine relations**

We do not forget, Mr. Minister, that in February 1986— during that critical time when the Filipino people fought tyranny and restored democracy in our land, France was the first country to recognize our new Government under President Corazon Aquino.

That was a magnificent gesture in itself, but in addition, your Government generously provided economic aid consisting of a one-billion-franc four-year financial package, an aid-to-development swap and a debt-for-equity swap.

Also, the French Government took the lead in enabling us to avail ourselves of the most concessional terms for loans with the Paris Club of nations.

We do not forget also, Mr. Minister, that France was one of the major sponsors of the European Union's resolution of November 26, 1993, which supported the peace process initiated by my Government to end the many conflicts that have long divided our country.

And we do not forget the series of protocols under the Philippines-France cultural, scientific and technical cooperation agreement, which are now being implemented by our two countries. The exchanges between our scientists, academics, artists and Government officials have immeasurably deepened understanding between us. And it is because of these that the San Diego Exposition and Fetes Philippines are at present being held here in France.

**Our vision: "Philippines 2000"**

The encouragement and assistance of friends like France have helped us in turning things around in the Philippines during these past three years.

Under a program of reform we call "Philippines 2000," we have put our house in order and set free the energy of enterprise and creativity in our country.

In the economy, we have launched major reforms to democratize and level the field for competition. Through deregulation, liberalization and privatization, we are transforming the oligarchic character of the Philippine economy into a democratic one.

Our people have rallied to the call for effort. Investors, domestic and foreign, have poured fresh investments in the economy. Productivity in both industry and agriculture is up. Inflation has been tamed. Our reserves are at a historic high.

To nurture and steer this dramatic change effectively is the reason for my journey to Europe at this time.

I have come here not only to thank you but also to invite you to take part—as a friend and a partner—in the economic modernization of the Philippines.

For we know that Europe, no less than America, seeks to take part in the great adventure of modernization now taking place in Asia.

It seems to us only fitting that Europe—and France especially—should mold strong ties with the country that resembles them most in their history and ideals. For truly the Philippines is unique in Asia today for venturing to develop—not at the expense of its democracy, but through democracy. And we are succeeding, much as Europe did in an earlier time.

I say that not to boast but to reply to the conventional wisdom that only authoritarian government can make progress possible in the Third World.

Democracy also needs its examples of success among developing countries.

### **Writing the future**

In my talks with President Francois Mitterrand, with Prime Minister Edouard Balladur, and with you, Minister Juppe, I have stressed the opportunity and the timeliness of expanding economic, political and cultural ties between us. This is the time to take our relations to a new stage—from friendship to partnership.

France has historically related with the world through the power of its ideals. It relates as a beacon of human freedom.

From the ideas of the Enlightenment and the French Revolution, our own revolutionary forebears like Jose Rizal and Andres Bonifacio dared to dream of the Filipino nation. And thus did we become the first republic in Asia in 1898.

“No nation, no democracy,” says the Oxford historian Theodore Zeldin, “can write its own history without acknowledging some debt, or some direct influence to France.”

The agreements forged during this visit on investment, finance, defense, cultural and scientific cooperation, signify the resolve of France and the Philippines to build a partnership for the future.

They ensure that our peoples and our countries will stand together at the advent of the new world of peace and progress.

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**Speech of President Ramos at the meeting with M. Jacques Delors, President of the European Commission**  
**Speech**  
**of**  
**His Excellency Fidel V. Ramos**  
**President of the Philippines**  
**At the meeting with M. Jacques Delors, President of the European Commission**

[Held at the EC Headquarters, Brussels, Belgium, September 15, 1994]

**Philippine  
with the European Union**

**partnership**

MR. PRESIDENT, thank you very much for your strong and sustained support of the Philippines—most lately expressed in these three development projects whose financing memoranda our people have just signed.

The focus of these projects reflects the development priorities our two sides share—people empowerment, protection of the environment and sustainable development.

Your Excellency, let me also express our appreciation of the Commission's sponsorship of the Business Round table on the Philippines that is taking place here in Brussels even now.

**European partners in our development**

Through this roundtable and other forums, we are inviting European industrialists and investors—with their renowned technical expertise and capital resources—to be our partners in Philippine development.

The Philippines has just returned to the path of growth and sustainable development. And we are creating a business environment equally open to national and foreign investment.

The participation in our economic modernization of Europe's entrepreneurs will highlight a relationship that goes back to 1521, when Spain discovered our Philippine archipelago for the Western world.

**Our interest in the European model of society**

The libertarian ideals our young intellectuals brought home from Europe sparked our nationalist revolution of 1896—which resulted in East Asia's first free republic in 1898.

Today there is just as much interest among my countrymen in the European model of society.

Mr. President, we look to the economic concepts objectified in the European Union as an alternative kind of capitalism—which assures a democracy with a greater care for those social groups whom competition leaves behind.

Like you, we in the Philippines believe the general interest is much more than the sum of individual interests. Like you we seek to guarantee the least of our people equality of opportunity—if not equality of outcome.

At the moment, Mr. President, all we can do is aspire to follow the progress you in the European Union are achieving. But let me say—finally—that projects like the ones we launched today will help us move toward that goal.



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**Speech of President Ramos at a dinner for the European business delegates hosted by the European Commission on the official visit to Brussels, Belgium**

**Speech  
of  
His Excellency Fidel V. Ramos  
President of the Philippines  
At a Dinner for the European business delegates hosted by the European Commission on the official visit to  
Brussels, Belgium**

[Released on September 15, 1994]

**Europe's gateway to  
Asia and the Pacific**

ONE OF MY important duties here in Brussels is to talk about the Philippines as your gateway to Asia and the Pacific.

The Philippines was discovered for Europe by the Spaniards in 1521. They liked it so much they stayed for 333 years. Then the Americans ruled us for 45 years, until we regained our freedom in 1946. If we Filipinos seem sometimes unique, it is partly because of this hybrid history: a humorist once said we spent more than three centuries in a Spanish convent and half a century in Hollywood!

The logic of geography cannot be denied. The Philippines was a crossroad of cultures then—it can be the crossroads of trade and business now.

**The vital center**

Straddling the strategic sea-lanes of the Western Pacific, the South China Sea, and the Indian Ocean, my country is at the vital center of the world's most dynamic region—the tiger economies of East Asia and the Pacific.

We have adopted a program we call “Philippines 2000”—a strategy for development that should place our country on the road to newly industrialized status by the turn of the century.

Already we have restored the economy to the path of self-sustaining growth.

GNP grew by 5.1 percent in real terms during these last six months, compared with less than 1 percent over the same period last year. And new investments surged by 330 percent in value. Approvals by our Board of Investments are four and a half times what they were last year.

This year our debt-service ratio should decline from 37 percent of export earnings ten years ago to 18 percent—lower than that of any Latin-American country. Last year we formally reentered the world capital markets—after 12 years out in the cold—with a series of Eurobonds that raised some \$1.0 billion. Our stock exchange ranked third in the International Finance Corporation's list of the 25 best developing-country exchanges for 1993, with a 155 percent performance.

**Europe-Philippine relations and cooperation**

But do not take my word about how well we are starting to do: Talk to your own people who are out there. I often plead with Europeans doing business with us to pass around the good news about the new Philippines. But I half-suspect they prefer to keep it to themselves, like prospectors not wanting to share their gold strike.

I am so certain of our country's attractiveness as an investment site that all I ask you is to come and see for yourselves.

What you will discover is a friendly, outgoing people whose culture you can be comfortable with. We are East Asia's only Christian nation.

Even more important, we share your political ideals. Our intellectuals of the nineteenth century were products of the European Enlightenment.

Our national hero, Jose Rizal, translated into Tagalog and Spanish the Declaration of the Rights of Man by France, which in turn his comrades circulated as revolutionary pamphlets in Manila in 1892. And, until now, even ordinary Filipinos are attached to the democratic ideals.

So, if you are thinking of investing in East Asia, I invite you to look to the Philippines under its new business environment.

The first great change we accomplished was to enhance political stability. We are not anymore a land of revolutions and coups d'état—not anymore as Western Europe is today.

In February 1986 we dethroned a dictator. Then, within a year, we moved from a revolutionary government to a democratically elected one. And in 1992, as our Constitution required, our people, represented by 29 million voters, directly voted for a new President out of seven candidates. The winner of that peaceful and democratic election is now before you.

Next year we are electing a new set of senators, congressmen, provincial governors, and city and municipal mayors. In mid-1998 the people will elect another President and I myself shall step down thereafter in a peaceful transfer of power. What could be more stable, more predictable, more democratic than that?

### **Government's role in the economy**

We face no threat of coups, no threats of insurrection, no armed opposition to State authority. What little is left of the three factions that once fought Government is now being reconciled with the mainstream through a comprehensive peace process. This includes formal negotiations toward a just and enduring peace, and a series of amnesty proclamations and livelihood programs for rebel returnees.

Our industrial work-people are well educated, easily trainable, hard-working, highly proficient in English, engineering and management. Filipinos value the opportunity to work, and there is industrial peace in our country. Our archipelago has rich natural resources, fertile land and a sunny climate good for plantations, agribusiness and tourism.

And you can count on Government's not interfering in your business affairs.

Our Government's basic role in the economy is to provide the policy framework within which individual enterprise can flourish.

That framework has four components. Besides political stability and civil order, Government's role is to enforce the rule of law—which, among other things, assures a level playing field for competition and the security of business contracts.

Sound macroeconomic policies are another Government responsibility—among other things, to guarantee the soundness of the currency and the stability of prices.

Government's fourth obligation is to provide the physical infrastructure that private industry cannot itself provide. This includes not only roads and electric power plants, ports, airports, water supply and irrigation systems but also investments in human capital—in health care, basic education, skills training and social security.

You may rest assured the Government will intervene only on the side of the free market—not to choose winners and losers, but to nurture competition.

### **Investors' rights**

Will your rights as investors be protected? And can you take your profits home? Certainly yes.

Our accession to the Multilateral Investment Guarantee Agency of the World Bank guarantees you coverage for all political and noncommercial risks.

Two years ago we lifted all foreign controls. We have also set up an independent central monetary authority to manage our financial system. As a result, interest rates are down to their lowest level since the late 1970s; and inflation is down to a single digit.

We have also opened up our banking system—which had been restricted for 46 years—initially to ten foreign banks over the next five years.

A tariff-reduction program we started this year is rapidly winding down duties on imported capital equipment, raw materials and spare parts. Tariff rates on capital goods now average only 5 percent.

We also continue to liberalize our investment rules and simplify our procedures. You may now invest in manufacturing or wholesale trading and own 100 percent of the equity—in all but a very short list of exceptions. You may even lease private land for as long as 75 years.

### **Build, operate and transfer**

Our build-operate-transfer program has attracted so many investments in electric-power plants that we have replicated it in other infrastructure sectors. Thirty-seven baseload projects totaling 6,000 megawatts have been contracted to private builders under our Build-Operate-Transfer Law.

Bureaucratic red tape is being drastically reduced and approval times shortened through one-stop shops that allow you to transact all the relevant approvals and permissions in one place.

We are dismantling cartels and monopolies harmful to public welfare—telecommunications, interisland shipping and insurance, to start with—so as to level the playing field of enterprise.

And we are privatizing many State corporations and assets—in steel, liquefied petroleum gas, shipping, communications, land transport, palm oil plantations and fertilizers.

For multinationals locating in the Philippines, we have set up some 40 industrial estates and export zones from Luzon Island to Mindanao in the South. The principal ones are the former American naval and air facilities at Subic and Clark, the CALABARZON provinces south of Metro Manila, Cebu, and the East ASEAN Growth Area sponsored by Brunei, Malaysia, Indonesia and the Philippines.

Subic—once the largest American naval base outside the U.S. mainland—has an area larger than the whole of Singapore. It has an airport that can take 747s, deep-water anchorage for 600 ships, a huge ship-repair yard, and 40,000 skilled workers. Companies already in Subic include Federal Express, Enron and Coastal Petroleum of the United States; SGS of Switzerland; Keppel of Singapore; and various manufacturing companies from Japan, Australia, South Korea, Hong Kong and Taiwan.

Clark Field we are transforming into a world-class aviation center and a modern industrial estate—with 24,000 hectares for light-to-medium industry and agricultural-industrial development.

Like power, communications facilities in the past had been poor. But here also deregulation has vastly improved our telecommunications, and attracted new players—among them America's AT&T and Bell companies; France's Alcatel, Italy's Italtel, Australia's Telstra and Singapore Telecom.

You might also ask: What else is happening in your part of the world that we could take part in?

### **The ASEAN market**

I suggest you look at the commercial possibilities of the ASEAN Free Trade Area. With integration, our six countries of Brunei, Indonesia, Malaysia, Singapore, Thailand and the Philippines are going to become one ASEAN market of more than 340 million consumers—whose incomes are rising at the world's fastest rates.

Not just Southeast Asia but the whole of East Asia is coalescing into one great economic unit. Already it accounts for 30 percent of the world GDP; and it is not unlikely that by the year 2020—in 25 years' time—East Asia's output will exceed that of both North America and the European Union.

What is certain is that in six years' time, 110 million East Asians will be living in middle-income households, with incomes per head in excess of US\$10,000, at 1986 prices.

The Philippines makes an excellent gateway to this great market—particularly since we have a home-consumer base of 65 million people that understands and welcomes European products and marketing styles.

Now to sum up my message: We Filipinos have had a difficult time in recent years. But we have now put our house in order and regained our unity of purpose. Once again we are ready to account for ourselves and compete in the world—and we are determined to develop as a democracy.

The conventional wisdom is that democracy and economic growth cannot go together—because unrestrained democracy generates disorderly politics harmful to economic growth.

We recognize the power of self-interest and profit in generating social and economic growth. But, like you here, we believe self-interest must be guided by a larger sense of community. We seek economic growth not merely because it enables human beings to accumulate material goods. We recognize economic growth as important because it allows greater human freedom.

We also have an acute sense of the limits to what the State can do by itself. Our first principle is to leave to private initiative the day-to-day workings of the economy.

### **Pushing and challenging**

We see Government's role as not to help business people avoid competition by awarding them subsidies, protective tariffs, preferential loans, and other economic favors.

We see Government's proper role as pushing and challenging individual enterprise and national industry to strive, to innovate, to compete with the best in the world.

And we have made basic changes in our economy during the past two years so that it offers a fair, open environment for all business-people.

Business is said to be like a wheelbarrow. Nothing ever happens until you lift it up and start pushing. And that is we in the Philippines and you here in Europe now need to do—to push, to move and benefit together.

*Source:* **Presidential Museum and Library**

Ramos, F. V. (1995). *From growth to modernization : raising the political capacity and strengthening the social commitments of the Philippine State*. [Manila] : Friends of Steady Eddie.

**Speech of President Ramos at a lunch hosted by Dr. Heinrich von Pierer on the official visit to Germany**  
**Speech**  
**of**  
**His Excellency Fidel V. Ramos**  
**President of the Philippines**  
**At a Lunch Hosted by Dr. Heinrich von Pierer, Chairman, Asia-Pacific Committee,**  
**German Business and Chairman/CEO, Siemens. AG**  
**On President Ramos's Official Visit to Germany**

[Delivered in Frankfurt, Germany, September 16, 1994]

**The Philippines as your**  
**East Asian base**

WE MADE GERMANY our final stop on this working visit to Europe because we wanted to save the best for the last.

Germany is our third-largest trading partner—and our strongest economic link in the European Union.

But beyond trade, there is a great reservoir of admiration for Germany in my country—for your technology, your economic strength and the way you have softened individual enterprise with communitarian social values.

Like you, we in the Philippines believe the public interest is more—much more—than the sum of private interests.

**Philippine economic recovery**

At the moment, all we can do is dream of nurturing in our country the kind of communitarian capitalism that Germany practices—where corporations have a perspective longer than the next quarter's dividends; a greater feeling of responsibility to their employees and customers; and a greater care for those social groups whom competition leaves behind.

We have restored the economy to self-sustaining growth. And we are creating a business environment equally open to national and foreign investment.

Now we recognize we must join the global economy—and not shy away from it.

**German investments in the Philippines**

German investments in the Philippines so far are very small—no more than 3.15 percent of all foreign investments last year. But the big German companies that set up Philippine manufacturing bases many years ago are still there; some in fact have expanded capacity.

Our two-way trade last year was worth US\$1.3 billion. It was unfavorable to us by US\$113 million.

One of our objects here is to balance this trade, and then to enlarge and diversify it. And one of the ways we could do that is to adopt the countertrade arrangements our people have proposed to Siemens as well as technology transfer and equity investments in our telecommunications manufacturing facilities in exchange for its various programs with the Philippine Long Distance Telephone Company.

**An invitation to visit the Philippines**

I am certain of the desirability of the Philippines as an investment site that all I really ask is for potential investors to come and see for themselves.

What you will find is a friendly, outgoing people whose culture you can be comfortable with. We are East Asia's only Christian country.

Even more important, we share your political ideals. Our intellectuals of the nineteenth century were products of the European Enlightenment Movement. In fact, our greatest hero, Dr. Jose Rizal, published his inspiring novel, *Noli Me Tangere*, in Berlin in 1887—which book sparked the Philippine Revolution of 1896 to 1898.

### **Your base for Southeast Asia-Pacific**

Not just the Philippines but the whole of East Asia-Pacific offers tremendous commercial possibilities for German business.

With integration, our six countries of Brunei, Indonesia, Malaysia, Singapore, Thailand and the Philippines are going to become one market of 340 million consumers whose incomes are rising at the world's fastest rates.

On my initiative, ASEAN has just organized a growth area made up of Borneo, the Indonesian Spice Islands and our own southern islands of Mindanao and Sulu.

Not just Southeast Asia but the whole of East Asia is coalescing into one great economic unit.

The Philippines makes an excellent gateway to this great market—particularly since we also have a home-consumer base of 65 million that understands and accepts European products and marketing styles.

### **Commendation for the Asia-Pacific Committee**

In closing, let me congratulate you on your initiative in founding the Asia-Pacific Committee—not only to strengthen the representation of German business in our part of the world but also to work with our governments in developing small and medium enterprises and in technical education and vocational training for our young people.

You will be happy to know we have adopted your concept of dual-tech training which was introduced to us by the Hanns Seidel Foundation—for our own nationwide technical education and skills development programs.

The time has come for the Asia-Pacific Committee of German business to set up a Philippine subcommittee, so that its members can come and see for themselves how well we in the Philippines can perform for the mutual benefit of our two countries.

Let me take this occasion to invite you to put together a delegation to visit the Philippines as our guests—to have a firsthand view of how we are developing as a working democracy in the Asia-Pacific.

*Source:* **Presidential Museum and Library**

Ramos, F. V. (1995). *From growth to modernization : raising the political capacity and strengthening the social commitments of the Philippine State*. [Manila] : Friends of Steady Eddie.



**Speech of President Ramos at the 21st Anniversary of the Department of Tourism and 1994 Kalakbay Awards**

**Speech  
of  
His Excellency Fidel V. Ramos  
President of the Philippines  
At the 21st Anniversary of the Department of Tourism and 1994 Kalakbay Awards**

[Delivered in PICC, Manila, September 27, 1994]

**Time for takeoff in tourism**

AS WE RECOGNIZE tourism's indispensable role in speeding up our development, we again challenge the Department of Tourism, which, for the last 21 years, has been the lead agency in developing and promoting our tourism assets and resources.

This task remains crucial today, now that we have gathered fresh momentum that would put the Philippines soon in step with its dynamic neighbors in Asia-Pacific.

Much has been done, but much more must be accomplished to effect this transformation. We will continue to rely on more effective teamwork within the tourism sector and the vast international network to which it belongs to accelerate our thrust into the future.

**Sunrise industry**

Last year, as the Department of Tourism celebrated the completion of its second decade, you and I took time to recall how tourism was again becoming a sunrise industry.

Tourism has contributed to enhancing the physical landscape, generating additional income for the economy, creating tens of thousands of jobs and cementing better relations with the other members of the global community.

From a mere trickle of visitors in the sixties, arrivals in the country exceeded one million as the seventies came to a close.

But in the turbulent and trying eighties, the Philippines sadly lost much of its luster as a destination. We became mired in great and seemingly insurmountable difficulties, while our competitors surged ahead.

But although tourism appeared to be caught in a downward spin, our industry did not throw in the towel, but geared up for the next round. It showed great resilience. It not only managed to survive but went on to grow remarkably.

While we can say that the worst is over, I say to you the best is yet to come, if we persist in our combined efforts to improve on our performance.

Together let us seize the opportunities, passing up no challenge to turn the tide in our favor.

I have in fact come to expect a growth rate of at least 20 percent in tourist arrivals since the successful Miss Universe pageant hosted by our country. Even if this is a tall order, I do believe that Philippine tourism can remain robust in the face of gloved slumps in some areas of tourism.

**Not just sun and beach**

In 1993 foreign visitor arrivals reached 1.4 million, accounting for some P50.5 billion in tourism receipts.

By the end of this year, according to forecasts by the Department of Tourism, we expect to reach 1.6 million foreign arrivals who will infuse an estimated P66 billion into our economy.

Our target for 1995 is two million. Given the record of the past two years, this appears doable.

The positive results we have posted can be attributed to the fact that we have such dedicated practitioners exemplified by those we honor tonight who work tirelessly to advance the cause of tourism.

Tourism, after all, is not just sun and beach. In the final analysis, people are tourism's most precious resource—the quality of the service they render, the warmth they exude, the smiles they shower on our visitors, and their unsurpassed hospitality to our guests.

Let us make good use of the auspicious conditions that are before us. Tourism, whether domestic or foreign, cannot but be the first beneficiary of the breakthroughs we have recently achieved in our political and economic life.

Our economy is well on its way to full recovery. The insurgency problem has been largely laid to rest and our peace process is progressing. Adequate reforms have been installed and new ones are being pursued to guarantee political stability and economic liberalization under a working constitutional democracy.

Our stock in the international community, in recent memory, has never been higher.

Outside of our shores, the perception is that we have finally gotten our act together, and are ready not only for takeoff but also for the big push and the long haul.

Out there, in my travels these past two years, I have noted a remarkable shift in attitude among officials of governments and leaders of the private sector.

### **A helping hand**

They now express willingness to extend a helping hand. They show a keen desire to participate in the building of new partnerships, in trade and industry, in small and medium enterprises, in exploration of natural resources and environmental protection, in transportation and communications and in infrastructure development.

And they want to join us in building up our tourism.

Here I must cite the Memorandum of Understanding signed between our Department of Tourism and Air France, one of the world's largest carriers and the first European airline to service the Manila route, during my visit to Paris earlier this month.

In essence, this accord commits Air France to extend the widest possible support to the efforts of the Department of Tourism to sell the Philippines as a destination to the French market in particular and the European markets in general.

Air France agreed to help us disseminate promotional materials, organize travel agents and familiarization trips for the media, sponsor fairs, seminars and other trade events.

The joint effort comes at a most auspicious time. For ongoing in Paris is the Festival of Philippine Arts and Culture, which features a major exhibit of the priceless historical treasures and artifacts recovered from the sunken Spanish galleon *San Diego*, as well as other events sure to stimulate greater interest in our country among the people of Europe.

Thus there is every hope that tourists will be coming to our shores in bigger numbers in the months ahead. Many more events in the Philippines in early 1995 are likely to stimulate our tourism.

It has not escaped my attention how, in so many countries big and small, tourism and travel have played such a vital role in economic development, in social amelioration, in cultural exchange, and in enhancing relations among nations.

### **Need for social reform**

The Government has adopted a social reform agenda which the executive, the legislative and people's organizations are discussing today at a social summit precisely because we know that we can no longer rely on growth to trickle down to the common *tao*.

Our social reform agenda and today's summit recognize that in aspiring to growth, we must also aspire to equity and democratization. For there can be no equity in growth if we do not undertake social reform.

In the yardstick of economists, growth is conventionally measured by such statistics as gnp, trade and investment, tourism infrastructure, inflation and interest rates, high technology and the like.

But in real life, these are only the indicators and symptoms of development. They mean little if they do not translate into real changes in the quality of life of people.

In real life, we are reminded that it is possible to have "growth without development." For it is possible for GNP to grow year after year, while the lot of the many continues to deteriorate into further poverty and misery.

We are resolved to put our people in the frontline of national development—both as active participants and as beneficiaries.

And to do this we must translate our action program into basics. And the most basic of these is meeting our people's minimum basic needs.

Let me repeat them, so we never forget: health, nutrition, water and sanitation, income security, shelter, peace and order, basic education and literacy, and political participation.

### **Priority to tourism**

Today I repeat my pledge to you, as your President, that I will remain our country's number-one salesman. I will marshal our resources at hand to hasten the expansion of tourism in all directions. You can rely on me to shout the message that the Philippines is back in business at the gateway of Asia-Pacific—at the mainstream of global tourism—and that there it intends to stay for keeps this time around.

The Ramos Administration will back your efforts in the private sector to the hilt.

We will favorably consider providing additional incentives to attract larger investments in tourism facilities where these are called for.

And where our marketing activities prove inadequate, together we will find ways and means to enhance them.

In sum, we will do everything our neighbors are doing—and more—to boost tourism. We have what it takes, and the time is now.

Ramos, F. V. (1995). *From growth to modernization : raising the political capacity and strengthening the social commitments of the Philippine State*. [Manila] : Friends of Steady Eddie.

**Speech of President Ramos at the World Infrastructure Forum in Jakarta, Indonesia, October 12, 1994**

**Speech  
of  
His Excellency Fidel V. Ramos  
President of the Philippines  
At the World Infrastructure Forum in Jakarta, Indonesia**

*[Taped in Malacañang for satellite broadcast from Manila, Philippines, October 12, 1994]*

**Modernizing  
infrastructure**

THIS PRESTIGIOUS GATHERING of senior Government officials and private-sector decision-makers tackles an issue of surpassing importance to the developing nations—infrastructure modernization. It is therefore a great distinction for Indonesia and us in Asia, to be hosts at this very first World Infrastructure Forum.

And I thank and congratulate President Soeharto of Indonesia for taking the lead.

”Infrastructure represents,” says the World Development Report for 1994, “if not the engine, the wheels of economic activity . . . . A strong association exists between the availability of infrastructure—telecommunications, power, paved roads and access to safe water—and per capita GDP.”

**Infrastructure lag**

For more than a decade now, developing countries have been investing \$200 billion a year in new infrastructure—representing 4 percent of their national output and a fifth of their total investment. This has dramatically increased infrastructure services in the Third World.

Despite such progress, however, the infrastructure lag in developing countries is still huge. According to World Bank figures, electric power has yet to reach 2 billion people, and one billion people in the developing world still lack access to clean water.

The World Infrastructure Forum is timely and propitious because it convenes at a time of growth and opportunity.

The challenge to nations today is to build through rapid infrastructure development the competitive edge for markets, technology and investment.

In meeting this challenge and this promise, infrastructure must play a strategic role. Today’s imperative is to build as fast as possible the roads and bridges that would link our cities and countrysides; the pathways for greater productivity; the networks for better communication and exchange of technology; and the gateways for more global movement of people, goods and services.

This is more than just a numbers game—of taking inventory of infrastructure stock and filling up what is missing or lacking. It involves also looking into ways of providing infrastructure more efficiently and effectively. It asks us, especially in the developing world, to seek full value for our money.

**Alliance and partnership**

For Asia, this forum can help to focus energies on building upon the record of dynamic growth and sustained progress through rapid infrastructure development.

The immediate challenge before us is how to generate the estimated \$2.5 trillion required to build the infrastructure needed for the full modernization of the Asia-Pacific region and other parts of the globe.

This forum examines a new way of meeting this challenge, which is too large for Government to handle alone. And this approach is through effective alliance and partnership between Government, the private sector and multilateral institutions. This is the key to achievement for future progress.

In many ways, our recent experience in the Philippines could *help* others to understand and appreciate this approach. For years, we had neglected to maintain and upgrade infrastructure facilities and services in our country, and this adversely affected national economic performance in a significant way. Today, we're finally filling the gaps by creating a policy environment in which the private and public sectors, aided by multilateral institutions, can work together more effectively and more expeditiously.

In my view, the Government must play the role of catalyst, by providing a policy and financial framework that is private-sector-friendly and boosts free and fair competition.

We have undertaken major reforms to privatize, deregulate, liberalize and democratize economic activity in our country. We are opening up in telecommunications, transportation and insurance, banking and other major sectors, and we are dismantling cartels and monopolies harmful to public welfare. We are privatizing State corporations and assets such as steel, fertilizers, shipping, forestry, mining, power generation, hotels, communications, aviation and land transport.

### **The Philippine experience**

We have also enacted new laws liberalizing foreign investments, reforming banking and privatizing infrastructure.

The Philippines today is one of the few countries with a Build-Operate-Transfer Law. Our expanded B-O-T Law allows more sectors to participate, provides for greater flexibility in arrangements for organizational and international partnerships, enhances rates of return and streamlines the approval process. It also stipulates risk-sharing by Government through financial incentives or credit enhancements.

We are confident that there is much that others can learn from the Philippine experience, just as we have much to learn from them.

The World Infrastructure Forum will no doubt show that, though most of our needs may be local and national, all of us will gain fresh international perspectives and benefit from new technologies and innovations.

*Source:* **Presidential Museum and Library**

**NATIONAL GOVERNMENT PORTAL – EDITED AT THE OFFICE OF THE PRESIDENT OF THE  
PHILIPPINES UNDER COMMONWEALTH ACT NO. 638**

**Speech of President Ramos at the World Economic Forum's Europe-East Asia Summit on the Occasion of  
President Ramos' Visit to Singapore, October 13, 1994**

**Speech  
of  
His Excellency Fidel V. Ramos  
President of the Philippines  
At the World Economic Forum's Europe-East Asia Summit on the Occasion of  
President Ramos's Visit to Singapore**

*[Delivered in Singapore, October 13, 1994]*

**East Asia enters the  
zones of peace**

**I. ECONOMIC INTEGRATION IS MAKING EAST ASIA SAFER**

THIS YEAR'S Europe/East Asia Summit takes place in an atmosphere certainly more optimistic than last year's gathering in Hong Kong.

The signing of the Uruguay Round agreements eases fears of markets closing and regional fortresses rising in the global economy. These fears have been particularly strong in our part of the world—because it is open global markets that have made East Asia grow.

Over this past generation, we have seen how economic growth—together with human development—can make countries not just richer but safer. We have seen how force—which has for so long arbitrated relationships between nations—can give way to the more benign regime of mutual benefit.

In fact, for the richest and most settled portions of the globe—the democracies of Western Europe and the Americas—war has become outmoded as an instrument of competition.

Of course, where there has been little or no growth, and even less development—as in unhappy Africa—"the condition of man" still is "a condition of war of everyone against everyone."

I would locate East Asia today in the intermediate zone between these "zones of peace" and "zones of turmoil."

Our peoples have not entirely escaped poverty, the fear of violence or the reach of arbitrary governments. But the vigorous growth and increasing interdependence of our economies enable us to hope the time will soon come when our countries, too, enter the "zones of peace"—when our mutual security will depend no longer on arms and alliances but on peaceful commerce and integration in the East Asian community.

**Mass poverty has eased considerably**

As it did in the West, sustained economic growth is opening up our political systems. Social equality has released people's energies for the drive to development. And mass poverty has eased dramatically almost everywhere in the region.

By the World Bank's estimates, poverty declined from 35 percent to only 10 percent in East Asia overall—despite a 40 percent increase in the region's population—over the 20 years between 1971 and 1990.

East Asia's amazing growth is founded on regional stability—which in turn is built on the regionwide emergence of market systems, and the recognition by all our countries of our need for regional peace, if development is to continue.

Growth poles—from Hong Kong-Taiwan and South China; through Singapore-Johore and the Riau Archipelago; to Mindanao-Brunei-Sabah and Sulawesi—are teaching our local peoples the virtues of working together.

And interregional trade now binds our countries all the way from Japan down to Australia.

## **II. ASEAN A FORCE FOR STABILITY IN EAST ASIA**

In this way has the promise of regional peace—which ASEAN, the Association of Southeast Asian Nations, had pursued for 27 years—turned into reality.

As its founders foresaw, ASEAN has become a stabilizing influence most notably in Indochina—and the focal point for security cooperation in East Asia—initially through its Postministerial Conference and, since last July, through its ASEAN Regional Forum.

The ASEAN Regional Forum—ARF for short—is our equivalent of Europe's Conference on Security and Cooperation. Its 18 members include the European Union and all the other powers interested in the region.

Flexible, informal and consensual, ARF complements our older network of bilateral and subregional security mechanisms in the work of building the architecture for East Asian | security.

And this new security environment we conceptualize in positive terms. We think in terms not of deterrence but of mutual reassurance—not of “containment” but of “constructive engagement.”

Our object is to draw every regional power into the web of collaboration that shapes our common interests, reinforces our common values and regulates our common behavior.

### **Unifying Southeast Asia**

Ultimately, of course, Southeast Asia's stability will depend on how we manage our collective affairs. And the harsh reality is that, separately, the ten Southeast Asian countries cannot stand up to the intense competition of the emerging global economy, and the multipolar *Realpolitik* that might yet replace the relatively simple power-configuration of the Cold War period.

Unification alone will give our countries the economic weight, the internal market, the cultural variety and the talent pool they need to become major players in the future world.

As we know, international trade becomes genuinely equitable only when both sides can enforce “reciprocity”—a roughly equal access to each other's markets and productive capacity. Separately, our countries cannot hope to be strong enough to do so—whether against Japan, the United States, the European Union or even China.

### **A building block of the global community**

Unification will also strengthen Southeast Asia as a whole against strategic uncertainties—particularly since the relationships among the big powers with interests in East Asia are still evolving in ways difficult to predict.

Unification will prevent our countries from once again becoming pawns in the politics of the great powers—as our countries were, during the colonial period.



ASEAN is the obvious core of such a unified Southeast Asia; and unification can begin with Cambodia and Myanmar acceding—as Vietnam and Laos have already done—to the 1976 Bali Treaty, which is ASEAN's informal constitution.

Regionalism of this kind—in which clusters of contiguous states interact primarily—but not exclusively—with one another may well become the framework of the future world.

We in the Philippines see a unified Southeast Asia not as a closed subsystem but as a building block of the global community. We also realize that while unification may be inevitable, it will still take all the political will, all the collective sense of purpose and all the idealism of our leaders.

### **III. THE PHILIPPINES—DEVELOPING AS A DEMOCRACY**

Meanwhile we see our task at home as that of putting our house in order and restoring our economy to the path of growth—so that we can once again pull our weight in regional cooperation, and account for ourselves in the world.

We in the Philippines were left behind East Asia's growth because we mistakenly tried to protect our industries from foreign competition.

We mistakenly equated political nationalism with economic self-sufficiency.

Now we recognize we must join the global economy—and not shy away from it. We realize we must take an active part in the vigorous life of the East Asian community.

We started by removing the barriers—erected over the last 40 years—against foreign investment and multinational industry. We have pared down our list of 2,720 trade items once restricted—either through tariffs or quotas—to only 183.

We have also begun to liberalize—and simplify—our investment rules and procedures. You may now hold 100 percent equity in all but a very small list of exceptions. You may even lease private land for as long as 75 years.

Foreign exchange we have made freely convertible, and remittances of profits or capital unrestricted. And our accession to the Multilateral Investment Guarantee Agency covers you against all political and noncommercial risks.

#### **BOT projects in infrastructure**

In infrastructure, we have initially identified 82 priority projects—worth altogether some US\$8.6 billion—that we are inviting private investors to take up, under our new Build-Operate-and-Transfer Law.

They include power, transport and industrial facilities; roads, railways, telecommunications, water systems, industrial estates, tourism projects. The British Airport Authority has already offered to build a BOT terminal for Manila, costing \$300 million and accommodating eight million passengers a year.

For multinationals locating in our country, we have set up 40 industrial estates and export zones all over our archipelago. The principal ones are the former American naval and air bases of Subic and Clark; and the five provinces immediately south of Metro Manila.

Our work people are adaptable and quick to learn. In education, we have the highest enrollment rate in ASEAN. Close to three-fourths of all our young people of the right age are in secondary school; and close to a third are in colleges and universities.

You may have heard about our electric power crisis of 1992-93. But you wouldn't have to worry about it. We installed almost 1,000 megawatts of new capacity last year; and we're adding another 840 megawatts this year. In six more years, we shall have installed a total 20,000 megawatts of new generating capacity.

### **An economy on the move**

Already these first structural reforms are paying off. We expect GNP to grow by 5 percent—more than double that of last year. This kind of growth is modest only by East Asian standards. And our economy's growth has strong foundations.

Over January to June, for example, new investments rose 330 percent in peso terms, and approvals by our Board of Investments multiplied four and a half times what they were over the same time last year.

And much of the new investment comes from multinationals already in the country. For instance, Philips Electronics—which has been with us since 1984—is investing 850 million pesos to expand its semiconductor plant in suburban Manila.

Our stock exchange ranked third on the International Finance Corporation's list of the 25 best developing-country exchanges for 1993.

The inflow of outside funds has in fact been so large it threatens our efforts to stem inflation. But it does feel good to be having problems of this kind for a change—instead of the problems of scarcity we have been accustomed to.

We should bring inflation down to 7.5 percent by the year-end, and to 5 percent next year.

This year our debt-service ratio should decline from 37 percent of export earnings ten years ago to 18.3 percent—lower than that of any Latin-American country. Last year, we re-entered the capital markets—after 12 years out in the cold—with a series of Eurobonds that raised nearly US\$900 million.

Last month—on a working visit to Italy, Spain, France, Belgium and Germany—my delegation closed 23 business agreements worth US\$ 5.7 billion.

Subsequently, a US\$115-million Eurobond issue by our largest conglomerate—San Miguel Corporation—got the best rate ever given to any Philippine issue.

### **Lingering questions about the Philippines**

The Philippines today is virtually a nation reborn. But over these past 48 years since Independence, our country has had so many ups and downs that we Filipinos can easily understand how outsiders can have lingering doubts about the permanence—and the ultimate effectiveness—of our present-day reforms.

Is Philippine political stability the temporary result of the accidental election to the Presidency of a military man? Will stability disappear with Ramos when Ramos goes?

Have the competing interest groups which once dominated the Philippine State been sufficiently tamed for foreign investors to be able to depend on Government's word once it is given?

My answer would be that there has been a profound change in my country in recent times—a profound change forced on us by our protracted social crisis.

The prospect of being hanged in a fortnight is said to concentrate the mind wonderfully. I can tell you: so does the prospect of being left behind by all your neighbors—on the road to prosperity.

Our time of troubles has convinced us we must change our accustomed ways in the economy and in national politics.

It is true economic policy once depended on which political faction was dominant in Government. Our remedy has been to level the playing field of enterprise—by dismantling the cartels and monopolies from which the political factions draw their power.

### **Dismantling monopolies and cartels**

We started out by breaking up the notorious telecommunications monopoly—of which it was memorably said (by Senior Minister Lee Kuan Yew) that 98 percent of Filipinos are waiting for telephones and 2 percent are waiting for dial tones.

Now we have five new cellular networks and big players—among them America's AT&T, Bell Atlantic, and Nynex; Japan's Nippon Telegraph and Telephone; Thailand's Telecom Asia; Hong Kong's First Pacific; and Singapore Telecom—coming into the wide-open fixed-lines market.

Recently we also deregulated banking—which has been closed to foreigners since 1948. From Europe, Deutsche Bank, AMRO, Indosuez, and ING Bank have asked to come in.

We have also opened up interisland shipping, insurance and the cement industry; and we are starting on the cartel in agribusiness.

How can we be sure our reforms will take hold?

### **A new middle class the motive force of reform**

Our reforms are taking hold because they result from a new spirit of cooperation between the legislature and the Presidency. But the motive force for our new politics is a modern middle class that has grown up outside the old patronage system.

Eight years ago this new middle class—of business people, professionals, office workers and university students—made a peaceful revolution which inspired oppressed peoples all over the world to stand up for their civil liberties.

Now it is reshaping the cast of national politics.

Politically, we have stopped defining democracy in terms of checks and balances between the three branches of government. We now define it in terms of shared political power, exercised in concert.

My party has just entered into a European-style coalition with the main opposition party. The coalition should enable us to depoliticize reform measures aimed at opening the economy to competition.

You can be sure we will accede to the Uruguay Round agreements well in time for the World Trade Organization in January.

We have also made social reform the centerpiece of Government's agenda—so that we can pull out the root causes of our endemic political instability.

And I am dedicating the three years and a half that remain of my term to raising the political capacity of the Philippine State—so that it can have a central role in organizing the full modernization of national society.

### **Developing as a democracy**

What we have set out to do—to develop as a democracy—goes against the grain of the conventional wisdom in East Asia. And it is true that, in our part of the world, authoritarian governments have brought unprecedented growth to East Asian economies.

But I myself believe political democracy, social discipline and sustained development are *not* necessarily incompatible.

We in the Philippines have no illusions about the hardships that lie ahead of us.

We accept as given both the shortcomings of our democracy as practiced and the ordinary Filipino's attachment to the democratic ideal. Experience has taught us we cannot safely dismantle our constitutional guarantees—even for the briefest period—because suspending these mechanisms makes public administration no more efficient, but only more arbitrary.

We accept that developing as a democracy means reconciling interest groups and broadening consensus. It means coping with dissent, delays, filibusters—sacrificing instant gratification in exchange for deliberate speed and dialogue.

Developing as a democracy also means balancing reform between two extremes. On the one hand, we need to ensure the steps we take do not go beyond constitutional and legal limits.

And, on the other hand, we must also ensure those steps are not too short, too tentative, too timid, so as to exhaust people's patience and trust in the process of reform itself.

Reform will be difficult, but it is the only way to go. Authoritarianism is a receding tide we Filipinos cannot ride to development—even if we wanted to.

Communism did not collapse in a vacuum. All over the world, authoritarian and statist systems are being dismantled by peoples who have awakened to their political entitlements. And ordinary Filipinos can never forget they were at the vanguard of this worldwide movement—through their “People Power” Revolution of 1986.

#### **IV. ALL OF EAST ASIA ONE GREAT GROWTH AREA**

There are those who say Asia is not going to be civilized after the methods of the West—that Asians will prefer to be ruled by authoritarians who make the economy grow rather than by democrats who can't say “no” to special interests.

But this kind of cultural relativism is being refuted by middle-class activism from Beijing to Yangon. Everywhere in East Asia, people are giving up their tranquility—and sometimes staking their liberty—in the belief that there is something more to life than an unending spiral of individual gratification.

I tend to agree with the political economist Francis Fukuyama, who believes that “as society becomes richer and more secure, people become free to seek nonmaterial goals like recognition of their status and political participation.”

#### **Will East Asia soon outproduce the West?**

Right now East Asia is apparently growing at such a pace its output will exceed that of both North America and the European Union early in the new century. Even if this prognosis turns out to be exaggerated, you still cannot afford to be isolated from what should continue to be the world's fastest-growing region over the next 20-30 years.

ASEAN will make you a fine gateway to East Asia—not only for your trade and your investment but for your diplomacy because its countries are for historical reasons the most familiar to you from Britain, the Netherlands, France, Portugal and Spain.

Through the ASEAN Postministerial Conference and the ASEAN Regional Forum, the European Union can influence the political and security environment of East Asia.

In recent years European businessmen have been turned relatively inward—and for good reason: they have been consolidating their rich markets within the European Union. But, in the process, they have defaulted to the Japanese and the Americans in establishing themselves in East Asia.

Because three legs on a stool are more stable than two, we are as eager to have you come into East Asia—into ASEAN—as we hope you yourselves are.

### **Increasing pace of economic integration**

Over these next few years, regional economic integration should speed up East Asia's growth even more.

I expect the 18 APEC leaders to make the political decision to start freer trade in the Asia-Pacific region at the Leaders' Summit in Jakarta this November.

We have also accelerated the time frame for our countries to realize AFTA—the ASEAN Free Trade Area—from 15 years to 10. The key to economic integration—the reduction of tariff schedules within our countries—will now be completed in the year 2003 instead of 2008.

### **V. LET US BE COOPERATIVE, NOT JUDGMENTAL**

Let me say, in closing, that beyond trade and investment, there is a reservoir of admiration for Europe among us—not only for your splendid culture but also for your technology, your economic power and the way you have softened individual enterprise with compassionate social values—in a kind of communitarian capitalism so similar to the family- and clan-based capitalism of East Asia.

In a word, there is a tremendous potential for a fruitful association between our two regions—if we can keep down the mistrust; the misplaced fears; the all-too-human tendency to preach and to judge, which always characterize the initial encounters between peoples of different cultures.

The managers of the World Economic Forum certainly deserve our gratitude for bringing us all together across the Western Hemisphere, in this companionable atmosphere, to talk about our prospects together.

Professor Schwab—let me invite you to consider the Philippines your Summit site sometime soon—so that we can return some of your gracious hospitality here this morning.

Finally—thank you very much for asking me here: and I wish you all a pleasant and fruitful meeting.

*Source:* **Presidential Museum and Library**

**NATIONAL GOVERNMENT PORTAL – EDITED AT THE OFFICE OF THE PRESIDENT OF THE PHILIPPINES UNDER COMMONWEALTH ACT NO. 638**

**Speech of President Ramos during the Workshop-Meeting of Philippine Ambassadors in the Middle East on the official visit to the Kingdom of Saudi Arabia**

**Speech  
of  
His Excellency Fidel V. Ramos  
President of the Philippines  
During the Workshop-Meeting of Philippine Ambassadors in the Middle East on the official visit to the  
Kingdom of Saudi Arabia**

[Delivered at the Conference Palace Hotel, Jeddah, October 16, 1994]

**Saudi Arabia and our  
peace initiatives**

THE TIES between the Kingdom of Saudi Arabia and the Philippines go back a thousand years—when Arab traders mediated Southeast Asia’s seaborne trade; and then brought Islam to our part of the world. Today, our two countries are inextricably linked in mutual respect; and in joint efforts toward economic modernization and prosperity for all our peoples.

Filipino contract workers have helped build Saudi Arabia’s modern infrastructure and the industry of its great cities. In turn, the remittances from our *kababayan* working here have greatly contributed to building up our own economic capital and foreign-exchange reserves.

**Importance of Saudi Arabia in Philippine progress**

Saudi Arabia is both our nation’s ninth-largest trading partner and our principal source of tourists from the Middle East.

Two-way trade is badly lopsided from our point of view— and until now our export trade is improving very, very slowly.

Over the five years 1988-93, our exports grew by only 5.07 percent—with the best-selling items being bananas, aviation fuel, cigarettes and garments.

As you know, we draw 41 percent of our oil requirements from here—which amounts to 26 percent of all our energy needs. In 1993 we imported 36.3 million barrels of Saudi Arabian crude worth US\$543 million—a total volume 16 percent lower than the previous year’s level.

Saudi Arabian oil will obviously gain a larger share of our national market in coming years. As you know, Saudi Aramco—the Kingdom’s national oil company—has bought up 40 percent of our own national oil company, Petron.

In terms of investment, we also expect Saudi Arabian companies to participate more vigorously in our economy. At the moment, Saudi investments in the Philippines total an estimated P2 billion. These investments are mostly in hotels and real estate, banana plantations, jewelry and art objects in the Philippines.

**Kingdom’s key role in our peace efforts**

Most important of all in our bilateral relations is Saudi Arabia’s critical political role in our country.

The Saudi Government—a major supporter and host of the secretariat of the Organization of the Islamic Conference—is a moderating influence in the peace talks between our Government and the Moro National Liberation Front, which are going on through the good offices of our ASEAN neighbor, Indonesia.

The Saudi Government has consistently followed a policy of dissociating itself from any form of interference in the affairs of the Southern Philippines. The Organization of the Islamic Conference—as we know—closely monitors the progress of the peace talks. The Saudi Government's view coincides with our own—it is to give peace and civic stability an opportunity to take hold in Mindanao.

We have asked the Saudi Government to help us realize our vision of prosperous Mindanao—as the only way of ensuring its long-term stability. As you know, I have been pushing the idea of an East ASEAN Growth Area—a new growth area bringing together Brunei, Sabah and Sarawak, Mindanao-Sulu-Tawi-Tawi; and the East Indonesian islands of Sulawesi and the Moluccas.

This great subregion has been one natural market for Southeast Asia's seaborne trade since the fourteenth century. All we really need to do is to stimulate commerce in complementary products that has always been there. I am confident that once the essentials are laid down, our Saudi friends will look kindly at investments, joint ventures and even aid-programs in the East ASEAN Growth Area.

### **Spread the word in the Middle East**

In closing, I exhort you—as key members of our diplomatic corps serving in the Middle East—to spread the good news about the progress we are making in bringing about a just and lasting peace in Muslim Mindanao. We must win the understanding—and support—of every Middle East government and nation in our effort to put an end to the fratricidal war in the Southern Philippines. Their sympathy and support are crucial to our winning the peace in Mindanao.

Now, more than ever, you must intensify your efforts to forge the closest ties with Saudi Arabia and the other Islamic states.

Mindanao has the potential—in land, climate and natural resources—to become the largest and richest growth pole of Philippine development. Its hard-working people—both Muslims and Christians—have waited and suffered too long for their land of promise to reach full fruition. Today we have a real chance to set things right in Mindanao, Sulu and Tawi-Tawi—and we can set things right—and begin once again—if only each of us does his part.

*Source:* **Presidential Museum and Library**

Ramos, F. V. (1995). *From growth to modernization : raising the political capacity and strengthening the social commitments of the Philippine State*. [Manila] : Friends of Steady Eddie.

**Speech of President Ramos at the Economic and Social Commission for Asia and the Pacific (ESCAP)  
Ministerial Conference in preparation for the World Summit for Social Development Speech  
of  
His Excellency Fidel V. Ramos  
President of the Philippines  
At the ESCAP Ministerial Conference in preparation for the World Summit for Social Development**

[Delivered at PICC, Manila, October 18, 1994]

**Toward a world compact  
on social development**

WITH THE Manila Declaration on the Agenda for Action on Social Development in the Economic and Social Commission for Asia and the Pacific (ESCAP) region, we have forged a common vision for three-fifths of humanity spread across the 54 countries and areas from where we come.

We have agreed to build on “a firm foundation for peace and development in the twenty-first century...rooted in the dynamism of the economies of many countries in the region.”

We have identified three important priorities to guide our actions: “poverty alleviation, which encompasses both the eradication of absolute poverty and the reduction of relative poverty; employment expansion, which covers the expansion of opportunities for productive employment leading to the reduction of unemployment and underemployment; and social integration, which refers to the enabling of all social groups to live together in productive and cooperative harmony.”

**Our long-standing needs**

These priorities reflect, to my mind, not so much the rapid and dramatic changes that have lately taken place in the global economy as the long-standing needs of our societies that we simply cannot afford to neglect—even and especially in an environment of economic growth.

For far too long, there has been a dangerous tendency among impetuous growth-seekers to equate economic development with the further empowerment and rapid enrichment of a small elite. This has mired the masses in even more abject poverty, and has merely perpetuated an ancient and inimical feudal order into the modern period.

I have said this many times before, but it bears repeating in the light of this conference’s objectives: development must be for the many, and not just for the few. And to achieve this objective, the people must be integrated from the very start into the development process itself—not only as its distant and hopeful beneficiaries, but also as its agents, its motive force.

Furthermore, we must seek the development not just in the economic sphere, but in all aspects and phases of human life. For our societies, development must be a bonding, not a divisive, element.

**Our social reform agenda**

We have embodied this philosophy in our Medium-term Philippine Development Plan for 1993-98, which is our road map to our shared vision of a newly industrializing country by the turn of the century, a vision we have called “Philippines 2000.”

The plan stresses a vital consideration: “the goal of all economic development efforts is the development of the human person and the improvement of the quality of life.”



We have made this even more explicit in a social reform agenda, which we translated into master plans of operation in this same venue exactly three weeks ago. Leaders of government and heads of sectoral organizations on that day agreed on a partnership to:

One, ensure quality services to meet basic human needs and to enable our people to live decent and productive lives;

Two, address inequities in the ownership, distribution, management and control of productive resources and access to economic opportunities;

Three, adopt reforms in decision-making to enable effective citizen participation, either as individuals or through social organizations reflecting the collective interest of like-minded citizens, as mechanisms toward self-governance.

It is an agenda to put people, especially the poor, back in the center of development, as beneficiaries and as actors. It is an agenda to effect a genuine democracy of means and opportunities among those who need it most.

We further agreed on indicators for achieving this three-point agenda, and on nine social reform packages. Six of them are addressed to specific sectors:

For farmers and the landless rural workers, we seek agricultural development;

For fisher folk, fisheries and aquatic resources conservation, management and development;

For indigenous peoples, protection of ancestral domains;

For workers, especially in the informal sector, workers' welfare and protection;

For the urban poor, socialized housing;

For members of disadvantaged groups—among them women, children and the elderly, comprehensive integrated delivery of social services.

Three concerns cut across sectors. These are institution building and effective participation in governance; improving access to credit; and increasing livelihood opportunities.

Through a series of consultations in the provinces, we are now localizing this social reform agenda. In particular, we are focusing on 19 priority provinces where concentrated pockets of poverty exist.

These measures were agreed on at a point when the basic policy reforms, long needed to push our country's economic growth, had been more firmly put in place.

Since early this year, these reforms have begun to produce dramatic results with accelerated growth in gross domestic product, exports, investments and foreign-exchange reserves, even as inflation remained low and interest rates fell sharply.

### **New ground to cover**

However, we have far more ground to cover, the past decade of sluggish growth having held us back from even greater accomplishments. The Philippines has long had its woeful share of poverty—according to United Nations data, we have 2.7 percent of the world's poor. In proportion to our population, poverty has declined. But with fast-growing population and the various crises that plagued our country in the last decade, the absolute number of the poor has actually increased.

In assessing the state of Philippine social development, a useful indicator would be the United Nations computation of our human development index.

The Philippines ranked among those considered medium on the index, but there is a wide dispersal of development among localities and among components of social well-being.

In terms of human development, our National Capital Region compares with the Republic of Korea, which ranks among the top five developing countries, while three of our poorest regions compare with developing countries where human development is low.

We rank high on our people's state of knowledge—eighth among developing countries, with an average 7.6 years schooling—but low on longevity indicators, being 76th in the same group of developing countries on the measure of child nutrition.

Thus while there are many achievements we can be proud of, many challenges remain to be addressed.

All these documents before us are more than just pieces of paper. Before me are concrete and effective responses to the challenge of development—realizable visions of better futures for our children.

By these measures, we can expect to replace that distressingly familiar foster child of Asia and the Pacific from one defeated by pain and hunger to one radiant with health and hope.

Our children are the society of tomorrow and any investment in their health, nutrition and education is a basic investment as well in the well-being of our nations, and the peace and prosperity of our region.

We firmed up this understanding among nations in an action plan to the year 2000 for their survival, protection and development, adopted at the 1990 World Summit for Children.

Philippine authorities have translated this into the Philippine Plan of Action for Children, as have some 16 other nations of East Asia and the Pacific with whom we signed the Manila consensus last year.

### **A crusade for children**

We then reaffirmed our commitment to the vigorous pursuit of national action plans for children, marked by mid-decade goals for our national children. These are the signposts we will check ourselves against, to ensure that we remain on track toward achieving our goals for children by the turn of the millennium.

We achieved a big step forward in the Philippines in pursuing our mid-decade goals for children when we localized this action plan. The heads of our own leagues of provinces, municipalities and cities: Governor Pagdanganan and Mayors Devanadera and Osmena—presented today their reports on how we are progressing in these goals, and are even ahead of our targets for the immunization of one-year-old children and the reduction of protein malnutrition.

I must note that we have taken on some challenging targets in this crusade for children.

Iodine deficiency is a case in point. Studies have shown that children who lack iodine can have up to 10 intelligence quotient (I.Q.) points less than other children. All other things being equal, children who are deficient in iodine are slower, less vigorous and have a harder time keeping up with the demands of schoolwork, in the process affecting their future productivity as adult citizens.

About a year ago today, Health Secretary Juan Flavio Velasco reported to me that 40 percent of our population (or 25 million Filipinos) live in iodine-deficient areas, and that 30 percent of all babies living in Metro Manila itself are deficient in iodine.

Our response to this has been simple but effective—and that is, to take action toward the universal iodization of salt. As long as we have the technology and the delivery mechanism, all it takes is the political will to get it done.

And it must be done. In the compelling words of the United Nations Children's Fund (UNICEF): "With each child, the world begins anew. With each child, we have the opportunity and the reason to remake the world."

### **Similar concerns in ESCAP**

Indeed, in the final analysis, it is for the children that we are doing all these. I heard about one of our labor leaders saying, very candidly, at a meeting between labor federations and industry associations, that his father and grandfather were also trade-union leaders before him. However, he does not want to see his son still there manning the ramparts after him.

We want his wish to come true. We want to address the reasons for manning the ramparts. We want to eradicate poverty. We want to improve employment. We want to strengthen cohesion in our societies.

The concerns of our countries, and the actions we must take, are similar for most of the Asia-Pacific region. Admittedly, a substantial and growing proportion of people in the ESCAP region today enjoy longer life expectancy, improved health, better education, access to safe water and sanitation, higher incomes, and generally greater opportunities to pursue their economic and social aspirations than was possible a decade ago.

We can take justifiable pride in that achievement. We did a difficult job well.

At the same time, the development processes under way throughout the region have intensified long-standing social economic problems and unleashed new ones.

These problems bear adverse implications for the quality of life, and include environmental pollution, urban overcrowding and deteriorating conditions of family life.

Of particular concern is the impact of development on the region's poverty. Clearly, the improvements in the quality of life associated with development have not been shared by all the people in the region.

### **Growth with social equity**

As the International Labor Organization indicated to the first preparatory committee to the World Social Summit: "Productive employment is the key to combating poverty and social exclusion." In the Philippine case, for instance, our economists have always asserted that "eliminating unemployment will wipe out poverty."

Thus we have sought growth with social equity, and the democratic distribution of economic and livelihood opportunities.

We have put the eradication of poverty in the forefront of our agenda, and addressed related issues of human security regarding health, education, shelter and population management.

We are ensuring the long-term sustainability of development by addressing environmental concerns.

We have set clear targets for employment generation, most of them immediate and addressed to specific groups—the informal sector, small farmers, industrial laborers and migrant workers.

We are providing for the disadvantaged among the workforce—the rural and urban poor, women, children and the elderly.

We have noted that successful campaigns against poverty and unemployment themselves significantly reduce threats to social cohesion. But we also provide for action against disasters and crime, and for social protection, particularly for those likely to be affected by the pace and pattern of structural change.

### **The ultimate test**

The ultimate test of any human society is the way it treats the poorest among its people. We must not fail this test of governance and compassion.

We must ensure that politics remains in the service of the nation, not just of an individual, a sector, or a party. We must redefine politics as the choosing of the correct policy alternatives for our country.

How each nation will proceed on the implementation of this agenda will depend largely on its circumstances. But we do urge strengthened national implementation and evaluation mechanisms, and strong efforts to mobilize enablers as partners of government.

Part of the effort will also involve international support, particularly in terms of the “20:20 Compact” suggested by the United Nations Development Program.

We urge efforts at improving the international economic environment to encourage long-term investments and enterprises that recognize the requirements of human security.

We encourage the exploration of innovative financing mechanisms for social development with consideration for reducing the debt burden that remains a drag on growth in a number of developing countries.

What we accomplished here today is merely one step in a continuing process of advocacy. We have a common agenda for regional advocacy—an agenda for our own countries, an agenda for our children’s future, an agenda to present to the World Summit on Social Development in Copenhagen in March 1995 which I intend to attend as head of the Philippine delegation.

The summit takes place as the world commemorates the first 50 years of the United Nations and contemplates its future.

I should like to assure the distinguished ministers and delegates to the ESCAP member-countries and associated members that the 1994 Manila Declaration with the accompanying Agenda for Action on Social Development in the ESCAP region, which I am honored to receive on behalf of the Philippine Government and people, shall be the centerpiece of the Philippine preparation at the world summit.

To the summit, we shall present our agenda as a concrete action program, reflecting our common principles and values regarding the betterment of the human condition; respect for the dignity of each human being; the basic quality of individuals, groups and nations; and tolerance and respect for one another.

### **Basis for social compact**

We have each to address our own countries’ requirements for social reform so we can become more involved citizens of the world. To our peoples, therefore, we present our agenda as the basis for social compact to complement our drive for structural reforms and sustained economic growth.

And to the world, we present the agenda as a commitment, and an appeal for the reorientation of mindsets toward a recognition of the oneness of humanity, that we can be united in diversity and truly act as citizens of the world.

Ramos, F. V. (1995). *From growth to modernization : raising the political capacity and strengthening the social commitments of the Philippine State*. [Manila] : Friends of Steady Eddie.

**NATIONAL GOVERNMENT PORTAL – EDITED AT THE OFFICE OF THE PRESIDENT OF THE  
PHILIPPINES UNDER COMMONWEALTH ACT NO. 638**

**Speech of President Ramos at the 50th Anniversary of the Leyte Landing, Philippine Liberation Campaign**

**Speech  
of  
His Excellency Fidel V. Ramos  
President of the Philippines  
At the 50th Anniversary of the Leyte Landing, Philippine Liberation Campaign**

[Delivered in MacArthur Park, Palo, Leyte, Philippines, October 20, 1994]

**Beyond  
prosperity, fraternity**

**war:**

**peace,**

THE DEEDS of the men and women from many countries who fought on this battleground of the brave need little elaboration—only our commitment to their cause—half a century after the event.

We celebrate this fiftieth anniversary of the Allied landing on Leyte—more for our own sake than for theirs. Their work is done; their heroism is secure; their place in history is recognized. And, save for the few who are here with us, the record of their lives is fully written.

**Day of rejoicing**

Their memory is part of what we—Filipinos, Americans, Japanese, Australians, New Zealanders, Chinese, Indians, Canadians, Koreans, Mexicans, Indonesians, Thais, French, Russians, Singaporeans, Vietnamese and those from Papua New Guinea and Myanmar—own together as our legacy from those brave warriors who struggled here years ago.

This day—fifty years ago—was a day of rejoicing for our people who were thrilled by General Douglas MacArthur's declaration, "People of the Philippines, I have returned." That ringing statement was a fitting fulfillment to his pledge—"I shall return"—as he escaped to Australia just before Bataan and Corregidor fell to the Japanese forces.

The Filipinos remembered that pledge in their hearts. They kept the faith throughout the Occupation as resistance fighters. Here in the Leyte area the guerrillas were under Colonel Ruperto K. Kangleon.

General MacArthur was said to have three "K's" during the Leyte landings—Vice Admiral Kinkaid, Lieutenant General Krueger, and Air Force Commander Kenney. He actually had four—the fourth being Kangleon, a native of Leyte and a highly decorated hero who was one of my distinguished predecessors as Secretary of National Defense.

Kangleon's Leyte area command gave MacArthur up-to-the-minute intelligence on enemy ship movements, the weather and minefields—intelligence that greatly minimized Allied casualties.

The same story was replicated by similar guerrilla units in other parts of the country as the Allied forces landed on other shores—Mindoro, Lingayen Gulf, Batangas and later Tagaytay Ridge and Corregidor by parachute.

In commemorating the Leyte Gulf landings, we not only honor our veterans, the resistance-movement heroes and our Allied comrades. We also pay homage to the auxiliaries and support groups and numerous civilians who also played some role in liberating our country and in securing for Filipinos an enduring tradition of freedom and democracy.

## **No distinction between winners and losers**

We celebrate this historic anniversary without distinguishing between the victors and the vanquished. In the spirit of reconciliation, friendship and international cooperation, we leave the past behind us as we move forward—with joined hands—to attain peace for all mankind.

We are honored by the participation of our guests from Australia, China, Canada, France, India, Korea, Papua New Guinea, Myanmar, New Zealand, Mexico, Russia, Singapore, Indonesia, Thailand, the United States and Vietnam—whose presence here exemplifies their spirit of cooperation and goodwill toward the Philippines, and among the nations of the world.

It is we, the living—who still must account for our lives—who need example and inspiration from those who met on this beach, at the beginning of the Philippine liberation campaign, fifty years ago.

Up to now, the story of man's life on earth has largely been a story of wars. "History is a bath of blood," wrote the philosopher William James.

Our century—in particular—has been a century of war. For the first time, war was fought on a global scale—and twice in one generation.

No wonder, then, that the survivors of those two world wars were the first generation of leaders to try to put an end to war, by the creation of the United Nations.

Over these past few years—after the end of the Cold War—the promise of enduring global peace has crept up on us and has, indeed, become an attainable reality.

## **We have returned: the practical dividends of peace**

Here in the Philippines—for the first time in a generation—we have forged a society pursuing this ideal of enduring peace through a comprehensive peace process. Our contending groups have moved their conflict from the killing zones to the negotiating table.

The beginnings of political stability have enabled the Philippines to make a dramatic economic recovery. We see the promise not just of growth, but of sustained progress and sustainable development.

In many real life aspects, the Philippines has also returned. Our economic turnaround, the social reforms we have begun, and the renewed attention by our friends and well-wishers around the world have restored our beloved Philippines—no longer a sick man but a vigorous competitor—to its rightful place in the community of progressive nations in which each Filipino can hold his or her head high.

Peace is good in itself; but it has practical dividends for us as well—in economic growth and social development.

Slowly we have come to realize how economic growth can make countries not just richer but safer. We have seen how force and the threat of arms—as the arbiter of relationships between nations—can give way to the more benign regime of mutual benefit and a common vision of the future.

In fact, for the democracies of Western Europe and the Americas, war has become outmoded as an instrument of competition.

Of course, where there has been little or no growth, and even less development—as in unhappy Central Africa—"the condition of man" still is "a condition of war of everyone against everyone." This we do not want to happen in our region—not in our region of Asia-Pacific, not anywhere in our world of the twenty-first century.

## **A need for modern-day heroes**

The challenge facing us today is our need for modern-day heroes. While much has been accomplished, much more needs to be done.

We need modern-day heroes in our continuing battle against poverty.

We need modern-day heroes in our continuing battle against corruption and selfishness.

We need modern-day heroes in our continuing battle against lawlessness and injustice.

We need modern-day heroes in our continuing battle against apathy and mediocrity.

Our nations today do not need warrior-heroes, but plain everyday people who will respond to their social consciences and take up their share of civic responsibility.

The ultimate test of any human society is the way it treats the poorest groups in the population—and we must not fail this test of governance and compassion.

In a world that has made war obsolete, we must still wage its moral equivalent against the poverty, the injustice, the inequity that until now oppresses so many of our peoples.

And this is not as easy as it may seem.

To die for one's country takes only one decision. To live with civic responsibility means innumerable small decisions—to obey the law even when no one is watching; to pay the right taxes even when a friendly examiner is at hand; to use one's vote seriously, even when the temptations for vote-selling abound.

It can be heroic, at every juncture, to choose the public interest above our own.

And to do so can call up from within us all the spiritual energy, all the strength of character, all the "strenuous honor" that only deadly combat of the likes of the Second World War is supposed to summon from within every man.

We can all be modern-day heroes if we focus our energies to do battle against the sinister forces that block our march toward progress and development.

## **The spirit of fraternity**

Beyond peace, the ending of war should also enable us to pursue the spirit of fraternity which alone can reconcile our conflicting democratic ideals of "liberty" and "equality."

Only through such spirit of fraternity—the consciousness of community beyond personal interests—can we discover our common purposes as nations and aspirations as human beings.

And it is this sense of fraternity of free peoples that advances the cause of freedom and democracy in the world.

This century now ending saw the first—and in my view the last—of the global wars.

Thanks to the courage and self-sacrifice of the warriors whose deeds on these beaches half a century ago we commemorate today we can hope—justifiably—that this dawning new century will see lasting peace established for the first time on a worldwide scale.



For the first time, mankind can look forward to living in a condition of peace that is more than just a breathing spell between wars.

In this spacious horizon of enduring peace, our celebrations today do not distinguish on which side the people gathered here from many nations fought then.

The only thing that matters is that, today, we are all on the same side: we are all on the side of peace—bound no longer by the balance of terror and the discipline of command but by the attraction of mutual benefit and mankind's sustained development.

Finally—let me give a special welcome to my fellow veterans and soldiers who are here: we are brothers in the fraternity of those who have walked through the valley of the shadow of death—yet feared no evil, being comforted by his rod and his staff.

Let us seek peace and make it endure—not so much for ourselves as for the sake of those who shall come after us.

*Source:* **Presidential Museum and Library**

Ramos, F. V. (1995). *From growth to modernization : raising the political capacity and strengthening the social commitments of the Philippine State*. [Manila] : Friends of Steady Eddie.

**Speech of President Ramos at the 49th Anniversary of the United Nations and launching of the 50th Anniversary of the United Nations Speech**  
**of**  
**His Excellency Fidel V. Ramos**  
**President of the Philippines**  
**At the 49th Anniversary of the United Nations and**  
**Launching of the 50th Anniversary of the United Nations**

[Delivered in Malacañang, Manila, October 24, 1994]

**A** **peaceful** **home**  
**for humankind**

THIS AFTERNOON'S CEREMONIES are significant in two ways. First, as we do on the 24th of October of every year, we commemorate the foundation of the United Nations, which marks its forty-ninth anniversary this year.

Second, we mark the eve of the first half-century of the United Nations. Next year's fiftieth anniversary celebrations will be bigger than this year's, but the time for assessing the contributions of the U.N. system to world peace and prosperity begins today.

**The vitality of the United Nations**

It is a sign of the United Nations' vitality—and, indeed, the continuing necessity for its existence—that its importance in global affairs has grown, rather than diminished, over the past half-century.

Unique among all the organizations and alliances that the nations of the world have entered into human history, the United Nations alone can claim to have survived this long and this well.

The United Nations has done this by ennobling every member-country with the dignity of a voice in the concerns of humankind—indeed, by identifying and upholding the universal interests of humankind above the national and changing interests of individual countries and governments, no matter how powerful.

It has mitigated brute power with reason and compassion; it has taken a firm stand on behalf of the poor, the oppressed and the disadvantaged everywhere, delivering to them the means by which they might deliver themselves.

Far from being merely a global bureaucracy, the United Nations, through its many agencies, has been an activist organization, intervening where and when necessary to ensure that no opportunity for peace and prosperity is wasted—and that the world and its peoples realize the full potentials of modernization.

And so today we congratulate the United Nations on its anniversary and, in so doing, we reaffirm the Philippine commitment to its founding principles, taking pride in our country's intimate participation with the United Nations since its creation.

**Filipinos on the United Nations**

I am also honored to acknowledge the role that distinguished Filipinos have played within the United Nations system.

I recall that General Carlos P. Romulo, the late father of our present Secretary of Foreign Affairs, held the position of president of the Fourth United Nations General Assembly in 1949, and was also elected president of the Security Council twice, in 1957 and in 1980.

General Romulo's lead was followed by many others, among them:

- 1 Justice Cesar Bengzon, who was a member of the International Court of Justice from 1967 to 1976;
- 2 Rafael Salas, who was executive director of the United Nations Fund for Population Activities in 1969 until his death in 1986;
- 3 Senator Leticia Ramos Shahani, who was United Nations assistant secretary general for Social Development and Humanitarian Affairs for several years;
- 4 Senator Blas Ople, who was president of the Sixtieth International Labor Conference in 1975;
- 5 Ambassador Domingo Siazon, who was director general of the United Nations Industrial Development Organization from 1985 to 1992;
- 6 Romeo Reyes, who was vice-president of the governing council of the United Nations Development Program in 1989;
- 7 Secretary Nieves Confesor, who was elected this year as chairperson of the International Labor Organization's governing council.

These eminent Filipinos, we might say, and among many other countrymen and countrywomen, were both world-class and truly global citizens.

### **The U.N. and the Philippines**

As we have contributed to the growth of the United Nations, so has the United Nations been vitally instrumental in Philippine development efforts.

The United Nations has been important for developing countries like the Philippines in two important ways:

One, it has served as the global forum where member states have equal rights to express their views on different issues.

Two, through its work of drafting and promulgating declarations, resolutions, conventions and treaties, the United Nations has symbolized "the common standard of achievement" provided for in the Universal Declaration of Human Rights by which to gauge our own efforts toward securing the basic rights and freedoms of our people.

In the words of Secretary General Dag Hammarskjöld, who died in a plane crash while on a peacekeeping mission in the Congo in 1960, the United Nations has served as "the main platform—and the main protector of the interests—of those many nations who feel themselves strong as members of the international family but who are weak in isolation."

But most important of all, the existence of the United Nations has prevented the recurrence of conflict on a global scale which twice ravaged the world.

We have the United Nations to be grateful for in bringing about conditions and circumstances in the international arena that have pushed, far into the background, the prospect of another world conflict and a nuclear holocaust.

### **The U.N. and human rights**

Armed conflicts nevertheless continue. Their being confined to certain limited geographic areas has not taken any of the horror, misery and suffering that these have caused.

Some have said that the present conflicts are complex, intractable and traceable to their ancient roots in history. I would like to believe otherwise and attribute the underlying cause of these conflicts to the “disregard and contempt for human rights.”

These are words taken from the second preambular paragraph of the Universal Declaration of Human Rights. This document, almost fifty years old, remains the one universal and powerful standard against which we are called to measure ourselves in terms of protecting and promoting human rights and fundamental freedoms within our national societies and also within the context of our regional and international interactions.

### **The U.N.’s landmark achievements**

The United Nations’ other landmark achievements in recent years have been the convening of the Conference on the Environment and Development in 1992, the drafting of the Convention on the Law of the Sea, which will enter into force next month, the convening of the Conference on Human Rights in Vienna in 1993, and the Cairo Conference on Population, Sustained Progress and Sustainable Development last month.

The Philippines attaches great importance to all of these events and is actively engaged in all aspects of international cooperation with a view to implementing the provisions of these conventions and agreements.

To enable all Filipinos to realize the wider and fuller enjoyment of their human rights and fundamental freedoms, our Government is pursuing a program of people empowerment guided by three vital priorities.

First, poverty alleviation, because poverty is the single biggest obstacle to the enjoyment of these rights and freedoms;

Second, employment expansion, to provide the workforce with productive sources of livelihood and income, thus increasing the people’s range of choices;

Third, social integration, to enable all social groups to live and work together in productive harmony.

My Administration has set the target year of 2000 by which time the Philippines should have attained a level of social and economic development comparable to that enjoyed by the more vigorous economies of this region.

This development program will be realized democratically, for the benefit of the many and not just of the few, and through the integration in the process of the majority of the people.

### **Our commitment to human development**

All of this is embodied in the Philippine Medium-term Development Plan for 1993-98. The Plan stresses this vital consideration: “The goal of economic development is to develop the human person and improve the quality of life.”

And here, the Philippines shares in the United Nations philosophy of human development, which sees development as more than a matter of economic growth, but as a process of enabling people to make better choices for themselves.

We have made this more explicit in our 1994 social reform agenda, consisting of the following main elements:

1 Ensuring quality services to meet basic human needs and to enable the people to live decent and productive lives;

2 Addressing inequities in the ownership, distribution management and control of productive resources and access to economic opportunities;

3 Adopting reforms in decision-making to enable effective citizen participation, either as individuals or through social organizations.

It is an agenda to put people, especially the poor, back in the center of development, both as beneficiaries and as actors. It is an agenda to effect a genuine democracy of means and opportunities among those who are most in need.

### **What the U.N. still must do**

Because of its specific socioeconomic political conditions and because of its current stage of economic development, the Philippines would like to urge member-states of the United Nations to take positive steps preparatory to signing the International Convention on the Protection of Migrant Workers and Their Families.

The United Nations decade for the world's indigenous peoples will start in December this year. This is of special significance to us Filipinos as nearly 20 percent of the population of the Philippines is composed of a wide diversity of indigenous communities and cultural groups. We consider them and their traditional ways of customs one of the country's most valuable and irreplaceable resources. Some of these social groups have been living and interacting in harmony with the tropical rain-forest ecosystem since ancient times.

We value their knowledge and wish to incorporate their collective wisdom in the protection and judicious management of our natural resources. In this connection, we welcome the drafting of the United Nations Declaration on the Rights of Indigenous Peoples and look forward to implementing them.

I pray that the era of global warfare lies irreversibly behind us and that limited armed conflicts will eventually be resolved, if not extinguished forever.

We cannot deny that national and regional competition and rivalries in international trade, economics and finance are still with us, and may even intensify. This has resulted in the existence of pockets of affluence in the developed countries on one hand and vast regions of poverty and abject misery in the developing countries on the other.

It will be the United Nations' task to manage these rivalries and conflicts in an atmosphere of fairness and equity, without diminishing the salutary effects of economic competition fueled by private initiative.

### **Toward social and political harmony**

I hope that another fifty years from now, when our great-grandchildren commemorate the centenary of the United Nations, they will take pride in the success of the United Nations not only in promoting and maintaining world peace, but also in its achievement of social and political harmony among its member countries.

Fellow citizens of the world: We live in challenging times, under conditions that put to the test our resolve to survive and to succeed—not only as citizens of our nations, but as the species privileged by the Almighty to exercise its dominion over our earth home and to be the main steward of its resources.

This requires of us that we think, feel and act as one humankind. In the United Nations, that spirit of oneness has found its home.

Let us do all we can to strengthen that shelter and that spirit.

*Source:* **Presidential Museum and Library**

Ramos, F. V. (1995). *From growth to modernization : raising the political capacity and strengthening the social commitments of the Philippine State*. [Manila] : Friends of Steady Eddie.

**Speech of President Ramos at the 7th International Conference of the Law Association for Asia and the Western Pacific Energy Section Speech**  
**of**  
**His Excellency Fidel V. Ramos**  
**President of the Philippines**  
**At the 7th International Conference of the Law Association for Asia and the Western Pacific Energy Section**

[Delivered at the Shangri-La Hotel, Makati, October 26, 1994]

**Energizing growth in the Asia-Pacific region**

I AM DELIGHTED that this Seventh International Conference of the Energy Section of the Law Association for Asia and the Western Pacific (LAWASIA) includes not only practicing lawyers but also leaders from both the public and private sectors, including business leaders, scientists and engineers.

The energy situation in Asia demands and deserves this kind of attention. It is full of challenges and opportunities, and availing ourselves fully of them will be crucial to our growth as individual nations and as a region.

**Disparities in energy resources**

The Asia-Pacific region has become one of the world's most dynamic and important growth centers. The member countries of the Asia-Pacific Economic Cooperation or APEC, for example, account for about 50 percent of global gross domestic product and supply nearly half of primary energy supply. Together we account for 57 percent of coal production, 36 percent of natural gas and 30 percent of the output of crude oil worldwide.

However, disparities remain between our energy resources and the continuing demand exerted on these resources by our growing economies. Thus the need to intensify energy exploration and development further.

Alongside these efforts must come policies to maintain a progressive and harmonious environment to promote and govern investments in the energy sector. I commend LAWASIA and its energy section for helping create that environment.

**Developing Philippine energy resources**

In the Philippines, our energy development strategy covers a variety of sources, including oil, hydroelectric, coal, geothermal and nonconventional energy. Today, indigenous energy already accounts for 30 percent of our national requirements.

Recently, we also completed the appraisal of the country's first major natural gas discovery which has the potential of displacing substantial volumes of coal and oil for power generation.

To fulfill this potential, however, we need to develop a gas industry structure that will include regulatory controls, a monitoring authority, legal foundations and governing laws. Surely, LAWASIA will be able to help us in this regard.

The development of large natural gas reserves in the Asia-Pacific will benefit not only the stability of energy supply in the region but also the global environment, since natural gas is an environment-friendly energy source for power generation.

Large-scale use of natural gas requires transport infrastructure, including domestic and international pipelines such as those envisioned for the trans-Asian natural gas pipeline. Projects such as this offer excellent opportunities for synergy, as it will link countries with excess natural gas with those that are net importers of energy.

Hydroelectric power is another energy resource that could cross borders to match exporters and importers. This is the rationale behind the regional grid project in the Indochina Peninsula, which proposes to link Malaysia and Thailand on the one hand and Myanmar, Cambodia, Vietnam and Laos on the other.

### **Promoting energy conservation**

Indeed, there is a vast potential for energy cooperation in our region, not only because of possible synergies in energy supply and demand but also because of the diversity of economies in the Asia-Pacific, where annual per capita incomes range from a low \$530 to a high of \$24,000.

The different stages of development within the region provide built-in access to information, know-how and experience that can lead to the expeditious crafting of cost-effective measures and enabling laws for the energy sector.

For instance, we can learn a lot about efficient use of energy from Japan. Japan is said to have attained 36 percent reduction in energy intensity over a 17-year period.

I am pleased to report to you that in the Philippines, the Government and the private sector are working together to promote energy-efficient practices. We have launched “power patrol,” a nationwide campaign to conserve power, which involves industrial and commercial establishments, households and schools. This multisectoral campaign has initially targeted a 10 percent saving in power use.

In addition, our Congress is now conducting deliberations on proposed laws to encourage and strengthen the movement to conserve energy in our country, to include a bill to deter pilferage of electric power.

LAWASIA’s Energy Section may also wish to focus its efforts at regional cooperation on deregulation and privatization, which appear to be gaining momentum in the Asia-Pacific region.

Four years ago, for instance, the Philippines opened up the power generation sector to the private sector, both local and foreign. Consequently, private-sector power projects played a major role in ending our recurring power shortages. At present we are studying the mechanics of privatizing our National Power Corporation or its components.

### **Toward more deregulation**

The Philippines is preparing the groundwork for the deregulation of its oil industry after 1996. Deregulating the oil industry will involve lifting controls on oil company margins and liberalizing oil imports. It will also allow oil companies to setup service stations where and when they want.

As a prelude to full deregulation, the Philippine National Oil Company privatized Petron Corporation, its refining and marketing subsidiary.

By privatizing 60 percent of its equity in Petron, the Government raised P25 billion, or \$1 billion, in revenues. For the 490,000 investors who bought 20 percent of Petron shares at its initial public offering—the most successful in the history of our stock market—privatization gave them the opportunity to share in the company profits.

In other words, by the simple act of privatizing an energy company, we further improved its ability to compete in a free market, enhanced its ability to ensure stable oil supplies, generated needed revenues for the Government, and



attracted hundreds of thousands of new investors, the majority being ordinary people, who also expanded the market base of the company.

I underscore the advantages of privatization and deregulation because they complement other policies intended to spur the private sector to become the engine of growth for our economy.

### **Our capital requirements**

The energy sector requires tremendous capital to meet the demand for growth. In the Philippines alone, the energy plan for 1994-2010 is estimated to require total capital investments of \$69 billion.

Initial estimates indicate that budgetary limitations will constrain the Government and allow it to contribute only about 18 percent of the total investments required. The Philippine power sector-which envisions the addition, of 30 000 megawatts-requires most of the funding- About \$38 billion is expected to be generated by the private sector for independent power projects.

It is important therefore that incentives and laws be put in place to encourage private-sector participation in the energy sector.

Indeed, you of LAWASIA can play an active role in sustaining regional economic growth by helping provide a positive environment for investments in the energy sector.

I look forward, therefore, with great interest and enthusiasm to the results of this conference and to its contributions to energizing growth in the Asia-Pacific region.

Here we find law, especially energy-related law, in the service not only of promoting justice in our societies, but of providing our people with the means to achieve the fullness of their lives.

*Source:* **Presidential Museum and Library**

Ramos, F. V. (1995). *From growth to modernization : raising the political capacity and strengthening the social commitments of the Philippine State*. [Manila] : Friends of Steady Eddie.

**NATIONAL GOVERNMENT PORTAL – EDITED AT THE OFFICE OF THE PRESIDENT OF THE PHILIPPINES UNDER COMMONWEALTH ACT NO. 638**

**Speech of President Ramos at the “Liberal Democracy in the Asian Context”**

**Speech  
of  
His Excellency Fidel V. Ramos  
President of the Philippines  
At the “Liberal Democracy in the Asian Context”: A Project of the Caucus of Asian Liberals and Democrats  
in Collaboration with the Friedrich Naumann Stiftung and the Liberal Party of the Philippines**

[Delivered in Metro Manila, November 4, 1994]

**Liberal democracy in Asia**

IT IS MOST APPROPRIATE for our capital to serve as the site for this first-ever conference on Asian democracy, because the Philippines was the first to proclaim a republic in Asia—in 1898. Although that republic did not survive the thrust of empire, it stamped upon our people an abiding belief in democratic government.

It emboldened us to fight and survive two wars. It steeled us for the demands of nationhood immediately after World War II. And it gave us refuge during a time of dictatorship in our land and enabled us to triumph in our People Power Revolution in February 1986.

**Democracy vs. authoritarianism**

Of course, I must also add—for strict historical accuracy—that the Philippines has often been regarded as proof that democracy does not mix well with economic development. Our fits and starts in the pursuit of progress are known to all.

The last thing we would pretend to be is that we are a model for other countries to emulate. If at all, we are probably most useful as a democratic example to study and learn from because of our experiences, our problems and our struggles. And that too must be said of India, Sri Lanka, Thailand and other countries, which in their own ways have struggled hard to achieve and preserve democracy within their borders.

In recent times it has been the fashion to draw a sharp distinction between democratic and authoritarian governments in the region in order to reinforce certain theories of economic development.

Those societies that are democratic, it is said, provide freedom and right for their peoples, but they have also sired weak governments and are feeble in achieving development.

Societies, on the other hand, that are nondemocratic and highly controlled have become the dragon economies of Asia—but at the price of curtailing the freedom and rights of their people.

Another tendency of the times is the renewal of the demarcation between East and West in their march to development. The East, it is suggested, has emphasized community, cooperation and discipline, and in this way Asia has become the dynamic growth center of the world today.

The West, on the other hand, has stressed individualism, rights and freedom, and these seeded the march of Western capitalism.

**Advancing the cause of democracy**

Like all contentions, these debates have some basis in fact; but they are also highly simplistic compared with existing realities and historical experiences.

The media have pounced on them with relish, and some distinguished leaders on both sides of the question have often been provoked into delivering stinging statements.

If in this conference we merely rehash these quarrels and echo the rhetoric, we will do nothing to advance understanding and move the cause of democracy forward in our countries.

I profoundly believe that the most urgent task for our democracies is not evangelizing beyond our borders in order to make all Asia the haven of democracy. It is rather the sharing of experiences with one another and the focusing of our minds on common problems in order to achieve solutions and move purposefully into the twenty-first century.

Heckling each other on what is best and what is right merely detracts from or, worse, destroys the harmony that is needed for the advancement of all peoples and nations. Instead of forging a common vision of the future, we may be advancing the cause of a new cold war.

It is true that the eminent political scientist Samuel Huntington has forecast that in place of the rivalry between the Soviet Union and the United States, there will now emerge a clash of cultures and civilizations—principally between East and West.

I do not share this pessimistic view of world affairs, but we will surely contribute to its emergence if we fall into the trap of insisting that other nations adopt our ways of living, working and thinking.

### **Freedom and security**

Being fairly new democracies, with many problems to cope with at home, we in democratic Asia are not on this evangelical road. But we do expect our categorical choice of democracy over authoritarianism to be respected and understood.

And when we make the claim that we too are gaining headway in the struggle for economic development, that deserves as serious an examination as the contention of those who say that discipline or authoritarianism works better.

Much of the sensitivity of Asian nations to this supposed quarrel between democracy and discipline is rooted in the circumstances in which we all began nationhood—after World War II and the heat of the Cold War.

Because of the challenge posed by expansionary world communism, all non-Communist Asian states were thrust immediately into a clash between two needs: the need for individual liberty and the need for national security.

Some countries—which literally lived under the shadow of communism—had to adopt stern measures to preserve their statehood, including opting for authoritarian or military government.

Other countries did not have to go that far; they only adopted ant subversion measures that restricted civil liberties to some extent.

The point is that all of us had to make adjustments to the exigencies and severities of the Cold War according to our circumstances.

Our experience in the Philippines has been such as to discover that both liberty and security are important to our society.

From the sum of our trials and tribulations, we have discovered that a free society is safer and more stable than an unfree one; and that security bought at the price of liberty and democracy can only be momentary.

### **Security is a human right**

But we have also realized that security is not the enemy of human rights. By dint of experience, we have recognized the truth of what the political scientist Michael Cranston memorably said:

Security is not something which is antithetical to human rights, because security is itself a human right. The security of the individual is bound up with the security of the community; the private enjoyment of a right is bound up with the common enjoyment of the right. The demand for liberty and security is not the demand for two things which can with difficulty be balanced or reconciled; it is the demand for two things which naturally belong together.

These needs are balanced by the rule of law in society. With law that is just and sound, order can be preserved without its being arbitrary. And freedom can be advanced without its being anarchic.

Under the constant pressures and rhetoric of the ideological conflict during the Cold War, it was hard to see these subtleties.

Now, with that war over—and with many of our countries finally beginning to succeed in the work of economic development—we see them more clearly. Nearly all our countries appreciate plainly the claims of both liberty and security, of democracy and discipline.

Each society must find for itself the balance between these ideals according to its traditions, the character of its people and the circumstances of the hour.

In our case, we Filipinos are working toward more discipline, though not at the expense of democracy. For us, discipline and democracy are complementary.

The discipline of democracy in the Philippines is greater self-discipline for all Filipinos. It is greater discipline in politics, and less of the politics of patronage. It is greater discipline in the use of public resources, greater discipline in government itself.

### **The Philippine experience**

There is unquestionably virtue in the fact that democracy expands the space for human freedom. But to the poor countries of Asia, democracy has never been and is not enough. Democracy must also prove that it can work in winning economic development.

With their early problems with nationhood, some Asian countries became convinced that economic development must come before political development or democracy. Only after the national economy was on a secure road to growth—where people have jobs and a measure of prosperity—should the widening of the sphere of civil and political rights begin.

This is certainly the route achieved by new democracies such as Korea and Taiwan. They developed dynamically first before democratizing. And this is the argument raised by other countries that are now rapidly industrializing.

This approach commands respect, but some of us here hold to a different view. We believe that economic development can come with democracy, that modernization must move simultaneously in the economic, political and social spheres in order to be lasting and sustainable.

This is the approach we have adopted in the Philippines, and we would like to believe that we are now proving its efficacy—even if in the past we were mistakenly heralded as the showcase of democracy's economic failure.

During these past two years of reform, rebuilding and renewal, we have not only put our house in order and empowered our people in the struggle for economic development but also begun to reap the economic dividend.

Economic growth has been climbing upward, and by next year we are confident that we will attain the same high growth rates as our neighbors.

We have achieved this economic turnaround through policies that are analogous to what the East Asian dragons have adopted in their leap forward—but not with the same instrument of political command.

### **Democratic politics**

Our democratic politics has been the instrument. We have demonstrated effective government in our democracy through consensus building. We have avoided gridlock by effecting collaboration and teamwork between the executive and the legislative. And we have enforced the rule of law—which is so vital also to the economy in securing the integrity of contracts and private property—through reform of our judicial system.

We have no illusions about being a model to anyone, but here in our country the market economy lives side by side with democratic politics, and they are not strangling each other, but helping each other.

If there is an important lesson to be learned from our experience by others, it may be the realization that freedom need not wait for progress to happen to be given its due. Freedom itself can be a spur to modernization. As *The Economist* put it in a special report last August:

The invisible hand works better than the visible boot . . . . The concept of economic freedom looks at security of property in the present, by asking whether taxes are non-confiscatory, contracts are enforced, trade is free and so on. But people also need to know that these freedoms, where they exist, will not soon disappear. Here lies the decisive advantage conferred by political freedom—meaning democracy, and the dispersal of political power that goes with it.

A benevolent dictator may do everything right in economic policy; and if he does, his economy will grow faster. But he cannot promise credibly that freedoms created by these policies will last.

I think that Asia has much to learn from the West about building democracy, and the West in turn has much to learn from Asia about fostering community. But the exchange at this time is gravely marred by a lot of static. We cannot hear each other very well.

### **Between “I” and “we”**

It is surely mistaken to say that our task in Asia is to approximate the character of Western democracy, as though we were a student being graded. This has provoked the rhetoric of Confucian values in our part of the world.

Yet beneath the sniping, both sides are actually moving closer in ideals.

In Asia today, clearly there are more democracies than, say, 10 or 20 years ago. In Japan, South Korea, Taiwan, Thailand and other countries, the tide has irresistibly and decisively moved toward democracy. And it is spreading across our continent.

In the United States and Europe, on the other hand, there is more talk of community today, to balance the claims of individualism. A communitarian agenda—from “I” to “we”—is spreading on both sides of the Atlantic, as Western governments are beginning to realize the economic strength that Asian cohesiveness and cooperation confer.

This is well and good. But the truth is, that community from the start was envisioned as integral to the democratic tradition. Democracy’s ideologues simply cast it aside.

What the French Revolution proclaimed was “*liberté*”, *égalité*, *fraternité*.” Democracy was not supposed to be merely the pursuit and defense of individual rights, as civil libertarians have tended to stress.

Nor was it supposed to be only the pursuit and achievement of equality, as the Socialists have tended to emphasize.

### **The spread of democracy**

Democracy was also meant to foster fraternity—which refers to the importance of brotherhood and group cohesion in human society.

The historian Arnold J. Toynbee has said that liberty and equality in the world have become conflicting ideals.

The only genuine reconciliation between these ideals is to be found in the mediating ideal of fraternity . . . . Fraternity is the consciousness of community, the recognition by the members of their fundamental, common enterprise. Democracy’s need for it is on the deepest level of all, because it provides the context within which equality can be established and freedom can be protected.

It is in Asia where the sense of community has worked most in helping the progress of peoples and nations. And it is possible that Asian democracy, by being fed by Confucian values, can achieve the harmony among the three ideals of liberty, equality and fraternity.

Certainly, we should find something to be glad about the way the conflicts in our region have eased. While dangers remain, we are not exposed to the kind of strife that torments the former Yugoslavia, the former Soviet Union and Africa.

These are not things to gloat about. We view them rather as conditions that favor more economic growth and more democracy in Asia.

With their growing economic strength and political confidence, Asian countries, I believe, are all moving toward democracy—though at different speeds.

For many of us, the achievement of economic health has been the main priority, because unstable economies produce unstable governments.

But then we also know or have come to realize that prosperity is not enough. As a middle class—well informed and educated—emerges with economic development, the essential human yearning for freedom rises also and cannot be denied. Democracy, even if not present at the beginning, becomes almost inevitable with economic success.

### **The decade of Asian democracy**

If the next decade, as many believe, is going to be an Asian decade, I would venture it will also be the decade of Asian democracy. This democracy will not displace Western democracy; it will merely be a democracy with Asian roots and an Asian character.

We in this gathering represent the vanguard of this tide. We are learning more how to use our democracy to effectively provide healing answers for the primal problems of our societies. We are refining democratic ideology amid the unique conditions and circumstances we live with. And while we do not lecture our neighbors on democracy, our ranks are growing year by year.

It may well be that before this century is over this democratic tide will raise all boats in Asia.

*Source:* **Presidential Museum and Library**

Ramos, F. V. (1995). *From growth to modernization : raising the political capacity and strengthening the social commitments of the Philippine State*. [Manila] : Friends of Steady Eddie.

## **Speech of President Ramos at the turnover of the first 500 houses in La Paz Homes 2**

**Speech  
of  
His Excellency Fidel V. Ramos  
President of the Philippines  
At the turnover of the first 500 houses in La Paz Homes 2**

*[Delivered in Trece Martires, Cavite, November 6, 1994]*

### **Sheltering the Filipino**

I CAME INTO OFFICE knowing that housing would be one of the most important and pressing challenges of my Administration. Today we still have a serious backlog of about 3.8 million houses.

Thus I have identified housing as among the top priorities of my social reform agenda. In the 1993-98 National Shelter Program, I have set the goal of providing 1.2 million units of housing assistance. And I am pleased that major developers such as La Paz Homes Cavite Development Corporation have heeded my call.

### **People-friendly, crime-free and clean**

I believe that housing projects should provide families with more than just a roof over their heads. They must be well planned and properly implemented and maintained to prevent their degeneration into ghettos. Above all, the neighborhood must remain a people-friendly, crime-free and clean community.

For this reason, I appreciate the philosophy of the La Paz group in developing La Paz Homes 2 along the so-called Pacita model.

This model ensures sustainability by building dwellings on the principle that low-cost housing is not low-quality housing. This model also provides for infrastructure of first-class standards—open spaces, sites for churches, schools and hospitals, commercial and recreational centers, cottage industry strips and other urban amenities.

While I welcome this philosophy of development, I realize it results in additional expense for the private developers, thus leading to higher selling prices.

But I am also aware that affordability is the key to making homes available to minimum wage earners and other low- and middle-income families who aspire to homeownership.

Therefore, to attain the twin objectives of quality and affordability I hereby direct the Housing and Urban Development Coordinating Council (HUDCC) to review the current limits on housing loans and interest rates of Government lending institutions to ease income qualification requirements and reduce monthly amortizations.

In addition, we must find ways to effect deregulation of the policies governing house and lot package designs and sizes to encourage developers to be more creative and flexible.

### **Two concepts of housing**

This should be made without sacrificing structural integrity, and leave the home buyers as the final judge of their acceptability.



To give a greater momentum to housing, which is labor-intensive and moves many industries because of its strong multiplier effects, the Board of Investments must look into the inclusion of housing in the Investment Priorities Plan to help developers maintain reasonable selling prices by availing themselves of proper incentives.

To maximize land use for housing, I also direct the HUDCC, together with the Department of Public Works and Highways, to work on two concepts: 1) using high-tech methods to build multistory residential buildings for affordable, socialized housing, and 2) increasing the supply of land and lowering the cost of properties fronting national and provincial highways, by building access roads to interior areas that the Department of Agrarian Reform will allow for housing and industrial development.

The Government by itself cannot solve the housing crisis facing the nation today. The private sector must play an equally important role in providing adequate housing for homeless Filipinos, as exemplified today by the La Paz group, toward our country's economic recovery and sustained growth, just like in improving productivity and increasing exports.

Developers and manufacturers can take the lead in using innovative, modern methods of construction and indigenous materials that will help reduce costs and save time.

Utility companies can do their share by extending concessional terms and incentives, and waiving burdensome prerequisites.

For Government's part, the Department of Trade and Industry and the Department of the Interior and Local Government must establish a stronger monitoring system to maintain at reasonable levels the prices of basic materials needed by housing. We must dismantle the traditional culture in business where cartelized practices and selfish behavior create an artificial regime of high prices when construction is in full swing.

### **A change of attitudes and values**

But while the policy and financial features of our housing policies are being put in place, they will not bring us closer to our shared vision of "Philippines 2000" unless some undesirable attitudes prevalent in both the Government and the private sectors are changed. I refer to the need to eliminate extortion, bribery, misrepresentation and fraud attendant on housing and construction.

Moreover, the large and yet growing backlog we face in housing demands quick action from all of us. We must have a sense of urgency and a sense of responsiveness to replace the usual habits of complacency and *bahala na*. Time is the most precious commodity that directly affects the costs for Government, developers and homeowners alike. And delays imperil a project's viability.

We must all have a social commitment. We must shed greed and the desire to make instant profits by treating housing both as a long-term solution to prevailing social ills and as an effective contributor to our people's welfare and prosperity.

Landowners should avoid bloating the values of properties while the developers, in striving to make their selling prices affordable, should maintain the high quality of their projects.

The new homeowners must exercise diligence for establishing good community discipline, especially cleaning and greening, proper waste management, water and power conservation, and other neighborly practices.

### **"Social pact for housing"**

After all, these homes are your homes. The money paid to acquire them may well represent the single biggest investment of your lives. Maintaining a clean, healthy and well-organized community assures the appreciation of each family's investment.

All of the above-cited directives and appeals are embodied in the Ramos Administration's National Shelter Program, which is a major component of our Medium-term Philippine Development Plan for 1993-98.

Let me take this opportunity, therefore, to call for a "social pact for housing" among all the housing-related industries, homeowners' associations and Government agencies. This pact will have the end in view of setting up a unified and concerted approach to achieve the goals of our National Shelter Program and our shared vision of "Philippines 2000."

I have called for a multisectoral people's summit on housing to be undertaken in January 1995 to expedite the actualization of our action programs for sheltering our masses.

*Source:* **Presidential Museum and Library**

Ramos, F. V. (1995). *From growth to modernization : raising the political capacity and strengthening the social commitments of the Philippine State*. [Manila] : Friends of Steady Eddie.

**NATIONAL GOVERNMENT PORTAL – EDITED AT THE OFFICE OF THE PRESIDENT OF THE PHILIPPINES UNDER COMMONWEALTH ACT NO. 638**

**Speech of President Ramos during the Asia-Pacific Economic Cooperation in Indonesia**

**Speech  
of  
His Excellency Fidel V. Ramos  
President of the Philippines  
During the Asia-Pacific Economic Cooperation in Indonesia**

[Delivered in Bogor, Indonesia, November 15, 1994]

**APEC Economic Leaders**

**Declaration  
common resolve**

**of**

1. We, the economic leaders of the Asia-Pacific Economic Cooperation (APEC), came together in Bogor, Indonesia, today to chart the future course of our economic cooperation, which will enhance the prospects of an accelerated, balanced and equitable economic growth not only in the Asia-Pacific region but throughout the world as well.

2. A year ago on Blake Island in Seattle, USA, we recognized that our diverse economies are becoming more interdependent and are moving toward a community of Asia-Pacific economies. We have issued a vision statement in which we pledged:

- to find cooperative solutions to the challenges of our rapidly changing regional and global economy;
- to support an expanding world economy and an open multilateral trading system;
- to continue to reduce barriers to trade and investment to enable goods, services and capital to flow freely among our economies;
- to ensure that our people share the benefits of economic growth, improve education and training, link our economies through advances in telecommunication and transportation, and use our resources sustainably.

3. We set our vision for the community of Asia-Pacific economies based on a recognition of the growing interdependence of our economically diverse region, which comprises developed, newly industrializing and developing economies. The Asia-Pacific industrialized economies will provide opportunities for developing economies to increase further their economic growth and their level of development. At the same time developing economies will strive to maintain high growth rates with the aim of attaining the level of prosperity now enjoyed by the newly industrializing economies. The approach will be coherent and comprehensive, embracing the three pillars of sustainable growth, equitable development and national stability. The narrowing gap in the stages of development among the Asia-Pacific economies will benefit all members and promote the attainment of Asia-Pacific economic progress as a whole.

4. As we approach the twenty-first century, APEC needs to reinforce economic cooperation in the Asia-Pacific region on the basis of equal partnership, shared responsibility, mutual respect, common interest and common benefit with the objective of APEC leading the way in:

- strengthening the open multilateral trading system;
- enhancing the liberalization of trade and investment in Asia-Pacific;
- intensifying development cooperation in Asia-Pacific.

5. As the foundation of our market-driven economic growth has been the open multilateral trading system, it is fitting that APEC builds on the momentum generated by the outcome of the Uruguay Round of Multilateral Trade Negotiations and takes the lead in strengthening the open multilateral trading system.

We are pleased to note the significant contribution APEC made in bringing about a successful conclusion of the Uruguay Round. We agree to carry out our Uruguay Round commitments fully and without delay and call on all participants in the Uruguay Round to do the same.

To strengthen the open multilateral trading system we decide to accelerate the implementation of our Uruguay Round commitments and to undertake work aimed at deepening and broadening the outcome of the Uruguay Round. We also agree to commit ourselves to our continuing process of unilateral trade and investment liberalization. As evidence of our commitment to the open multilateral trading system we further agree to a standstill under which we will endeavor to refrain from using measures that would have the effect of increasing levels of protection.

We call for the successful launching of the World Trade Organization (WTO). Full and active participation in and support of the WTO by all APEC economies is the key to our ability to lead the way in strengthening the multilateral trading system. We call on all non-APEC members of the WTO to work together with APEC economies toward further multilateral liberalization.

6. With respect to our objective of enhancing trade and investment in Asia-Pacific, we agree to adopt the long-term goal of free and open trade and investment in Asia-Pacific. This goal will be pursued promptly by further reducing barriers to trade and investment and by promoting the free flow of goods, services and capital among our economies. We will achieve this goal in a GATT-consistent manner and we believe our actions will be a powerful impetus for further liberalization at the multilateral level to which we remain fully committed.

We further agree to announce our commitment to complete the achievement of our goal of free and open trade and investment in Asia-Pacific no later than the year 2020. The pace of implementation will take into account the differing levels of economic development among APEC economies, with the industrialized economies achieving the goal of free and open trade and investment no later than the year 2010 and the developing economies no later than the year 2020.

We wish to emphasize our strong opposition to the creation of an inward-looking trading bloc that would divert from the pursuit of global free trade. We are determined to pursue free and open trade and investment in Asia-Pacific in a manner that will encourage and strengthen trade and investment liberalization in the world as a whole. Thus, the outcome of trade and investment liberalization in Asia-Pacific will be the actual reduction of barriers not only among APEC economies but also between APEC economies and non-APEC economies. In this respect we will give particular attention to our trade with non-APEC developing countries to ensure that they will also benefit from our trade and investment liberalization, in conformity with GATT-WTO provisions.

7. To complement and support this substantial process of liberalization, we decide to expand and accelerate APEC's trade and investment facilitation programs. This will further promote the flow of goods, services and capital among APEC economies by eliminating administrative and other impediments to trade and investment.

We emphasize the importance of trade facilitation because trade liberalization efforts alone are insufficient to generate trade expansion. Efforts at facilitating trade are important if the benefits of trade are to be truly enjoyed by both business and consumers. Trade facilitation has also a pertinent role in furthering our goal of achieving the fullest liberalization within the global context.

In particular we ask our ministers and officials to submit proposals on APEC arrangements on customs, standards, investment principles and administrative barriers to market access.

To facilitate regional investment flows and to strengthen APEC's dialogue on economic policy issues, we agree to continue the valuable consultations on economic growth strategies, regional capital flows and other macroeconomic issues.

8. Our objective to intensify development cooperation among the community of Asia-Pacific economies will enable us to develop more effectively the human and natural resources of the Asia-Pacific region so as to attain sustainable growth and equitable development of APEC economies, while reducing economic disparities among them, and improving the economic and social well-being of our peoples. Such efforts will also facilitate the growth of trade and investment in the Asia-Pacific region.

Cooperative programs in this area cover expanded human resource development (such as education and training and especially improving management and technical skills), the development of APEC study centers, cooperation in science and technology (including technology transfer), measures aimed at promoting small- and medium-scale enterprises and steps to improve economic infrastructure, such as energy, transportation, information, telecommunications and tourism. Effective cooperation will also be developed on environmental issues, with the aim of contributing to sustainable development.

Economic growth and development of the Asia-Pacific region have mainly been market-driven, based on the growing interlink ages between our business sectors in the region to support Asia-Pacific economic cooperation. Recognizing the role of the business sector in economic development we agree to integrate the business sector in our programs and to create an ongoing mechanism for that purpose.

9. In order to facilitate and accelerate our cooperation, we agree that APEC economies that are ready to initiate and implement a cooperative arrangement may proceed to do so while those that are not yet ready to participate may join at a later date.

Trade and other economic disputes among APEC economies have negative implications for the implementation of agreed cooperative arrangements as well as for the spirit of cooperation. To assist in resolving such disputes and in avoiding their recurrence, we agree to examine the possibility of a voluntary consultative service to mediate disputes, to supplement the WTO mechanism that settles disputes, which should remain the primary channel for resolving disputes.

10. Our goal is an ambitious one. But we are determined to demonstrate APEC leadership in fostering the further liberalization of global trade and investment. Our goal entails a multiple year effort. We will start our concerted liberalization process from the very date of this statement.

We direct our ministers and officials to immediately begin preparing detailed proposals for implementing our present decisions. The proposals are to be submitted soon to the APEC economic leaders for their consideration and subsequent decisions. Such proposals should also address all impediments to achieving our goal. We ask ministers and officials to give serious consideration in their deliberations to the important recommendations contained in the reports of the Eminent Persons Group and the Pacific Business Forum.

11. We express our appreciation for the important and thoughtful recommendations contained in the reports of the Eminent Persons Group and the Pacific Business Forum. The reports will be used as valuable points of reference in formulating policies within the cooperative framework of the community of Asia-Pacific economies. We agree to ask the two groups to continue with their activities to provide the APEC economic leaders with assessments of the progress of APEC and further recommendations for stepping up our cooperation.

We also ask the Eminent Persons Group and the Pacific Business Forum to review the interrelationships between APEC and the existing subregional arrangements (AFTA, ANZERTA and NAFTA) and to examine possible options to prevent obstacles to each other and to promote consistency in their relations.

*APEC Economic Leaders  
Bogor, Indonesia  
November 15, 1994*

Ramos, F. V. (1995). *From growth to modernization : raising the political capacity and strengthening the social commitments of the Philippine State*. [Manila] : Friends of Steady Eddie.

## **Speech of President Ramos on Seoul Asia-Pacific Economic Cooperation (APEC) Declaration**

**Speech  
of  
His Excellency Fidel V. Ramos  
President of the Philippines  
On Seoul APEC Declaration**

[Released on November 15, 1994]

**Protecting  
our human resources**

**and**

**sharing**

From its inception, human resources development has been a major item on the agenda of the Asia-Pacific Economic Cooperation (APEC). In the Seoul APEC Declaration, Asia-Pacific economic leaders, “convinced that closer cooperation is needed to use more effectively human and natural resources of the Asia-Pacific region so as to attain sustainable growth of its economies while reducing economic disparities among them and to improve the economic and social well-being of its people,” declared as two objectives of APEC the following:

a) to sustain the growth and development of the region for the common good of its peoples and, in this way, to contribute to the growth and development of the world economy;

b) to enhance the positive gains, both for the region and for the world economy, resulting from increasing economic interdependence, including by encouraging the flow of goods, services, capital and technology.

### **Promotion of human resources development**

As clearly stated in the Seoul Declaration, APEC economic leaders agreed to focus on those economic areas where there is hope to advance common interests and achieve mutual benefit, including through the promotion of human resources development. To this end, APEC stated that it will seek to develop practical programs of economic cooperation to contribute to economic dynamism and improved living standards throughout the region.

Last year in Seattle, APEC leaders envisioned a community of Asia-Pacific economies in which “our people share the benefits of economic growth through higher incomes, high-skilled and high-paying jobs and increased mobility.”

This year, our Ministers adopted the Declaration on a Human Resources Development Framework for the Asia-Pacific Economic Cooperation. The HRD framework for APEC rightly focuses on human resources, on our common people as both the means and the end to economic growth. It states that “the objective of human resources development in APEC is to promote the well-being of all people in the region through economic growth and development/” The Declaration, thus, urges “members to consolidate and concentrate their efforts on human resources development and protection to produce tangible economic benefits in an effort based on focused dialogue and the achievement of consensus.” Our Ministers further declared that “the development of human resources contributes to the attainment of such fundamental values as the alleviation of poverty, full employment, universal access to primary, secondary and vocational education, and the full participation of all groups in the process of economic growth and development.”

We, the leaders in Bogor, must start where our Ministers left off.

### **Five principles**

We can begin by accepting these five principles:

- 1) Just as APEC interdependence is based on sharing of capital, natural resources and intellectual property rights, so too must human resources be shared.
- 2) While the principle of dynamic comparative advantage in human resources is based on education and training, these resources must be afforded the opportunities to realize their full potential.
- 3) Continuous and rational upgrading of human resources will put all APEC economies on a higher economic development plane.
- 4) Human resources must be assured protection in their pursuit of highest returns just like capital, natural resources and intellectual rights. Needless to say, this protection will respect the laws and regulations prevailing in the country of operation.
- 5) Human resources deserve the protection to which they are entitled as persons imbued with dignity and basic rights.

### **Action plan**

After our consensual recognition of these principles, we must direct our Ministers and senior officials to incorporate in the HRD annual work plan concrete measures to:

- 1) Enhance respect for the rights and protection of our human resources;
- 2) Develop and upgrade their skills, taking into account the changing requirements of the markets;
- 3) Give them the opportunity to seek the highest return.

These HRD-related measures will undoubtedly contribute to accelerating economic growth, sustaining development and promoting the well-being of our peoples.

*Source:* **Presidential Museum and Library**

Ramos, F. V. (1995). *From growth to modernization : raising the political capacity and strengthening the social commitments of the Philippine State*. [Manila] : Friends of Steady Eddie.



**NATIONAL GOVERNMENT PORTAL – EDITED AT THE OFFICE OF THE PRESIDENT OF THE  
PHILIPPINES UNDER COMMONWEALTH ACT NO. 638**

**Speech of President Ramos at the First East ASEAN Business Convention and Exhibits**

**Speech  
of  
His Excellency Fidel V. Ramos  
President of the Philippines  
At the First East ASEAN Business Convention and Exhibits**

[Delivered at the Central Bank Building, Davao City, Philippines, November 16, 1994]

**Growth without borders**

THIS GATHERING, which has been long overdue, is really something of a “family reunion.” And ours is a family that can trace its connections back to a thousand years.

Over that time—and as with any family—some of our members have fared better than others.

But here, today, we meet to reaffirm not only our basic ties in the past, but also—and even more significantly—our shared interests and prospects in what is certain to be a prosperous future for all.

**The ASEAN spirit**

Your very presence in this conference attests to the vitality of the ASEAN spirit.

The East ASEAN Growth Area (EAGA) was a mere concept which I started discussing with the ASEAN heads of government in October 1992, particularly President Soeharto of Indonesia, when we all met in Brunei on the silver jubilee of His Majesty Sultan Hassanal Bolkiah. But such was our belief in the desirability—and workability of the idea—and such were our commitments to making it happen—that, with this convention, the EAGA has now become a practical reality.

While we all have our individual strengths, it makes sense for those of us within a common geographic and cultural zone to use the complementarities of our economies.

In the global markets for the twenty-first century, the countries that will best survive and prosper are those that cooperate with their logical economic partners in achieving synergistic efficiencies among them.

Thus the governments and peoples of ASEAN have a strategic stake in EAGA’s success. And for EAGA to work as a sound economic concept it must be supported by the political commitment of our national leaders, and of our business sectors.

I must commend you—the business leaders of ASEAN—for exerting maximum efforts to achieve this cherished goal.

The business sector has responded in very concrete terms to the EAGA initiative by expanding cross-border investments and intensifying trade in our subregion.

**What EAGA is all about**

Your several business agreements and partnerships and the launching of a massive resort development project on Samal Island, a pioneer EAGA project involving substantial Malaysian investments, represent what EAGA is all about.

In strengthening our ties, we see Mindanao to be our main bridge to the rest of the region. Our enthusiasm for a growth area in the Philippine South is consistent with our vision of achieving comprehensive and sustained development throughout the Philippines.

As we approach the new century, we have embarked on the great enterprise of transforming the Philippines into a newly industrializing country by the turn of the century. This vision of ours we have called "Philippines 2000."

Within this vision, we see Mindanao becoming a crucial and dynamic center of growth. Traditionally, Mindanao has been the country's leading agricultural exporter and a major consumer market.

With the formation of the EAGA, Mindanao can directly expand its trade with a market of 40 million people in the EAGA, and with the rest of the world. We in the National Government will support Mindanao in this effort by providing the infrastructure, incentives and grown-priming policies.

Our experience over the past two years leads us to view with confidence the prospects of Mindanao, the Philippines and EAGA as a whole.

From near-zero economic growth in the early nineties, our economy grew by more than five percent in real GNP over the first half of this year. This more than doubled last year's growth.

Exports for the first nine months of 1994 are up 18 percent over the record export level of US\$11.9 billion that we registered in 1993.

Most important, foreign and domestic investments in the first semester of 1994 have hit US\$3.3 billion. This is a 330 percent increase over the same period last year, and by itself is already 144 percent higher than total investments in the whole year of 1993.

### **On the rebound**

Inflation has been brought down to 7.8 percent as of end October. We should bring it down to 7.5 percent by the year-end, and to 5 percent by the end of 1995.

Our debt-service ratio has declined to 18 percent of export earnings, down from 37 percent just a year ago. Last year we re-entered the international capital market and raised US\$1.0 billion through a series of Eurobond flotations.

The Philippine stock market has become one of the region's strongest and most active, with ordinary citizens investing their savings in our most profitable corporations.

These are all clear signs of an economy on the rebound. And financial institutions, economic analysts and independent observers the world over have given the Philippines high marks for achieving this turnaround.

They also noted that the Philippines has finally managed to achieve political stability as the firm foundation for economic growth. I am pleased to tell you that our political leaders have agreed on a consensus for growth—setting aside partisan differences for the national good.

We believe that we can sustain this momentum by sticking to those policies that have been working very well for us.

We are now committed to pursuing a more open and outward-looking economy. We have repudiated protectionism as an economic philosophy that leads only to inefficiency and stagnation.

Instead, we have embraced the challenges of an open global economy. We realize that this will require difficult adjustments in our ways of thinking and doing things. But we also realize that enduring growth in the twenty-first century can only be achieved on these terms.

Thus we look forward to acceding to the GATT Uruguay Round (GATT-UR) agreements in time for the activation of the World Trade Organization in January 1995.

### **Liberalization for growth**

The direction has clearly been toward free trade even before the GATT-UR. Unilaterally, we have pared down a past list of 2,720 items restricted for import by 95 percent to a much shorter list of only 193 protected items.

Liberalization is the central theme of our economic growth.

Over the past two years we have liberalized and deregulated key industries that were long monopolized and cartelized by vested interests. In the telecommunications industry, for instance, we are witnessing unprecedented investments and growth as a result of deregulation. In Mindanao alone, 1993 saw a 27 percent increase in telephone line capacity and the placing of digital interconnection of telephone services in most major urban centers.

Recently, we also opened up and decartelized interisland shipping and insurance and are moving to more deregulation in land and air transportation. More Filipinos now enjoy better and cheaper services because of the resultant competition.

We have passed laws that provide broad opportunities for the private sector to invest in key public infrastructure projects through expanded build-operate-transfer arrangements with Government.

And I am sure it will be of great interest to you to know that the Philippines recently passed very liberal laws on the entry of foreign investments and the long-term lease of land by foreign entities.

Foreigners may now hold 100 percent equity in practically all areas of investments. They may also lease land for as long as 75 years.

We have also privatized dozens of Government assets and corporations or components thereof.

The Philippines, therefore, is fully prepared and very eager to play its part in EAGA.

### **A borderless economic region**

Having come this far, we should now take a look at what may lie ahead for EAGA as a whole in its second, postplanning and operational phase.

The vision that the Philippines would like to share for EAGA phase II is that of a borderless economic region—a zone of free trade in real and concrete terms.

We view the EAGA in the future as a dynamically growing subregion that doesn't distinguish between domestic and foreign investments and businesses operating within the growth area.

This is the kind of economic complementation we must seek through EAGA. It reflects very much the globalization of business happening in every corner of the world.

A borderless economic region where the movement of goods, services and people is free and unrestricted should dramatically increase trade, tourism and investment.

The open exchange of raw materials, financial capital, technologies and expertise and labor would allow businesses to seek further comparative advantages in order to enhance their competitiveness in the global market.

What we must strive for is an EAGA tariff regime as liberal as possible. Historically, our forefathers had practiced free trade in this area. If it is to the mutual benefit of all parties, I cannot see why we cannot practice it once again in the EAGA. I challenge our businessmen to master these issues and their complications and exploit all possible opportunities.

We should also be prepared to consider the harmonization of customs policies and procedures as another element of a borderless EAGA. Unnecessary tedious customs procedures serve as barriers which can be more taxing than taxes themselves.

In Asia, it is face-to-face interaction that makes business transactions happen. With existing restrictions on the movement of people, we may lose numerous opportunities for increased trade and investment which could have materialized with greater personal interaction within the private sector.

### **Promoting investments in EAGA**

To ease this problem, I recently lifted the collection of travel taxes on Filipino nationals who travel by sea from Mindanao to EAGA destinations. We are currently studying applying the same policy to air travel.

This is a concrete first step, and this unilateral change in policy reflects the seriousness with which the Philippines believes in EAGA.

Together we must eliminate other obstacles to the free movement of people which block the pursuit of opportunities in business, recreation and tourism, employment, education and cultured exchange.

Finally, we must review and harmonize our policies and incentives with respect to foreign investments, particularly those to be based in EAGA.

We must realize that although intra-EAGA ventures will help fuel growth in the area, we must look toward attracting a larger share of the investments headed for Asia from the developed countries and the newly industrializing countries toward EAGA.

Promoting the EAGA as a consolidated area will improve our chances of capturing a larger share of global investments in Asia.

Our combined resources and natural endowments are attractive and still relatively untapped. Together, they can form a formidable package of investment prospects.

It is time to open our shop and put up our sign—"EAGA is open for business, and we welcome all comers."

### **The leading role of the private sector**

Exactly how good business will be will depend largely on the response of the private sector in terms of concrete initial investments and trade.

To prove to the rest of the world that EAGA works, we shall have to prove this first among ourselves. And here the private sector—with adequate policy support from all our governments—will take the leading role.

This is why this conference is so significant. And this is also why I am extremely optimistic about the prospects of EAGA.

The entrepreneurs of this part of the world have weathered centuries of war and political vicissitudes. Indeed, they have shown the rest of the world that, in the end, what counts among people everywhere is peace and the prosperity that it makes possible.

*Source:* **Presidential Museum and Library**

Ramos, F. V. (1995). *From growth to modernization : raising the political capacity and strengthening the social commitments of the Philippine State*. [Manila] : Friends of Steady Eddie.

## **Speech of President Ramos at the 1994 Malaysia Summit Meeting**

**Speech  
of  
His Excellency Fidel V. Ramos  
President of the Philippines  
At the 1994 Malaysia Summit Meeting**

[Delivered in Kuala Lumpur, November 22, 1994]

### **Polygons of opportunity**

#### **I. EAST ASIA ENTERS THE ZONES OF PEACE**

OVER this past generation, we have seen how economic growth can make countries not just richer but safer. We have seen how force—which has for so long arbitrated the relationships between nations—can give way to the benign regime of mutual benefit.

In fact, for the richest and most settled portions of the globe—the democracies of Western Europe and the Americas—war has become outmoded as an instrument of competition.

Where there has been little or no growth, and even less development—as in anguished Africa—“the condition of man” still is “a condition of war of everyone against everyone.”

East Asia today I would locate in the intermediate zone between these “zones of peace” and “zones of turmoil.”

Our peoples have not entirely escaped poverty, the fear of violence or the reach of arbitrary governments. But the vigorous growth and increasing interdependence of our economies enable us to hope the time will soon come when our countries, too, enter the “zones of peace”—when our mutual security will depend no longer on arms and alliances but on peaceful commerce and integration in the East Asian community.

#### **Growth founded on regional stability**

East Asia’s amazing growth is founded on regional stability—which in turn is built on the regionwide emergence of market systems, and the recognition by all our countries of our need for regional peace if development is to continue.

Growth poles—from Hong Kong-Taiwan and South China; through Singapore, Johore and the Riau Archipelago; through Penang, Sumatra and Phuket, to Brunei Darussalam-Sarawak-Sabah-Mindanao-Sulu-Sulawesi and Manado—are teaching our local peoples the virtues of working together. And interregional trade now binds our countries all the way from Japan down to Australia.

These regional units of cooperation—increasingly known as “growth triangles”—are the building blocks of regional stability. Malaysia is a key player in propagating the growth triangles in ASEAN. Through its western states of Penang and Johore, and the eastern states of Sarawak and Sabah, Malaysia is part of all three growth triangles already organized in ASEAN.

#### **II. GROWTH AREAS TODAY’S ENGINES OF GROWTH**

Today’s engines of growth,” observes the Japanese management expert Kenichi Ohmae, are not nation-states but “regional states.”

Ohmae refers to the economic units being drawn by the new manufacturing technology—whose boundaries do not always coincide with those on political maps. In our part of the world, these natural economic units bestride national boundaries. Others are focal points within nations (like North-em Italy and Wales in England).

In the standard East Asian term, the “growth triangle” is a local zone of economic cooperation crossing national boundaries—exploiting complementarities between geographically contiguous areas of different countries to gain a competitive edge in production for export. In Kenichi Ohmae’s view, “All are defined by the logic of the market rather than the dictates of politicians.”

### **The role of regional statesmen**

In East Asia, at least, this view is contradicted by the facts. The initiative of regional statesmen in starting up cross-border growth poles has been crucial. And the first requirement for the success of these economic alliances is the political commitment of country leaderships. In East Asia, growth triangles are as much instruments of foreign policy and national security as they are instruments of economic policy.

For instance, the Singapore-Johore-Riau Archipelago growth pole apparently took off only after President Suharto decided to allow 100 percent foreign ownership of factories on Batam Island. For Singapore, “Sijori” satisfactorily diversifies between Indonesia and Malaysia its immediate supply of business partners, foreign workers, factory space and even drinkable water.

The East ASEAN Growth Area (EAGA) the concept for which was initiated by the Philippines changed the entire focus of the relationship between Malaysia and the Philippines from the political to the economic. Once Prime Minister Mahathir Mohamad and I with the support of Indonesian President Soeharto had agreed to set aside the contentious issue of Sabah and allow the expansion of economic relations even while we worked at its resolution, trade and investment between our two countries began to expand dramatically.

Early this year, Prime Minister Mahathir came to visit, bringing 80 leading Malaysian businessmen with him. Since then Malaysian investments have boomed in my country: the Malaysian tycoon, Robert Kuok—who is now working on his fourth Shangri-La Hotel in the Philippines, has become our single biggest foreign investor. And the conglomerate Westmont alone is planning to invest 18 billion pesos in Philippine banking, power, steel, and property over the next two years.

EAGA is only one result of this renewed—and reinvigorated—economic interaction.

### **Deng Xiaoping and the mother of all triangles**

Finally, consider how great an influence the “mother” of all our growth triangles—the great growth pole radiating from the coastal provinces of Guangdong and Fujian in Southern China; Taiwan, and Hong Kong—has had on East Asia’s political stability these past 15 years.

It began with Deng Xiaoping’s vision of substituting development for class warfare as post-Mao China’s highest order of business. China’s leap to modernization by importing foreign equipment and technology on a large scale began with Deng’s decision to normalize relations with the United States and then with Japan—and also to thin out the Chinese forces that had been massed on the coast opposite Taiwan for 30 years.

These diplomatic and military preparations were completed in December 1978—only 17 months after Deng’s third reinstatement to political power. Deng then proposed setting up “special economic zones” in which foreign investment would be allowed on concessionary terms. The rest is history—which even the Tiananmen massacre of 1989 could not disrupt.

The political change in China—and East Asia—has been even more dramatic than the economic. By degrees—according to Sir Richard Evans, British Ambassador to China from 1984 to 1988—Deng Xiaoping substituted an

optimistic for a pessimistic view about the possibility of the world's remaining at peace. He began to talk of conciliation instead of the encouragement of revolution in speaking about China's approach to regional conflicts and civil wars, and about "opening to the outside world" instead of self-reliance in discussing China's international economic relations. He dropped Leninism altogether, arguing that, far from making conflict between them inevitable, the economic relationships between the rich countries of the North and the poor countries of the South created an interdependence which made it both possible and desirable for them to collaborate.

### **Growth triangles in ASEAN**

The concept of the "growth triangle"—the phrase was coined by then Deputy Prime Minister Goh Chok Tong in December 1989 in referring to Sijori—fits in nicely with ASEAN's customary approach to any regional problem—being modest, informal, unbureaucratic; tentative, subtle and flexible.

Sijori is not without its teething problems. But it has worked well enough to encourage two more growth poles in ASEAN. One—agreed on initially between Prime Minister Mahathir and President Soeharto—will link Penang with Sumatra and Southern Thailand. The other—initiated by the Philippines—will tie together Brunei, Malaysian Borneo, Mindanao-Sulu and the East Indonesian islands of Sulawesi and the Moluccas. In the eighteenth century this was a unified trading area, led by the maritime state of Sulu.

A fourth Southeast Asian growth zone—linking parts of Myanmar, Laos, Thailand and China—is also apparently starting up, with some help from the Asian Development Bank.

The growth-triangle concept has taken hold because it is a controlled experiment in regional cooperation—whose adverse effects (if any) can be limited to the triangle, but whose beneficial results can subsequently be applied to the economy as a whole. It offers the benefits of regional integration—without great loss of economic sovereignty.

### **Export zones with synergy**

The growth triangles differ from the straightforward export-processing zones in that they can exploit economies of scale and integrate the comparative advantage of every member-country. They are export zones with the synergy that comes from mixing various corporate cultures and resource endowments.

The exchange is straightforward. The investing countries provide capital, technology and management skills. The receiving countries provide labor—both skilled and nonskilled—the land and other natural resources.

Investments in the growth triangles come largely from the region itself—from East Asia's own newly industrializing economies and from Japan, which is scrambling to relocate its labor-intensive manufacturing offshore—to lower-wage economies—under the pressure of the rising yen.

The greatest benefits necessarily accrue to the most industrially mature partner. But even the poorest partner gains in practical terms—in job generation; skills development, technology transfer; not to mention the infusion of industrial disciplines among local work-people. Radiations from the growth pole catalyze development in other sectors of the larger national economy.

### **Triangles ensure against world blocs**

Not just ASEAN but all the East Asian countries now regard regional cooperation as a means of both enhancing their development and ensuring themselves against unhealthy changes in the world's economic climate. Growth triangles are an easily organized way of protecting themselves against trade blocs in the developed countries—without committing prematurely to the all-or-nothing venture of forming formal trade blocs of their own.



In this sense, the growth triangles are actually miniature versions of the trading blocs that have formed in Western Europe and in North America. Flexible, low-cost, fast-track, uncomplicated and well-focused, they can be started off quickly and with little fuss—while formal trading blocs need gestation periods that run into the decades.

What is more, growth triangles require no changes in national concepts of sovereignty, administration or national preferences. They do not completely engage national prestige; they require no elaborate political commitments to neighbor-states. Governments can enter into them with minimum political risks.

For Singapore and Malaysia, growth triangles are a way of keeping up their competitiveness as export platforms despite rising wages and shortages of land, work hands and infrastructure. For Indonesia, Thailand and my own country—as eventually for Vietnam—they are a means of speeding up development, generating jobs and importing technology.

### **Thawing the cold war in Northeast Asia**

Even in Northeast Asia, the growth-triangle concept promises to thaw the last icebergs left over from the Cold War. Only in this part of the world does the Cold War power configuration—of Russia, China and North Korea on the one hand, and the United States, Japan and South Korea on the other—still hold. Now that the urgent issue of nuclear proliferation has been set aside, confidence-building mechanisms set down by the six powers themselves can begin to work toward the only lasting resolution of Northeast Asian instability—the eventual reunification of the two Koreas.

As we know, North Korea in late October concluded an agreement with the United States aimed at stabilizing the political situation in the Peninsula—and opening the door to investment in the relatively impoverished North by South Korean—and ultimately, multinational—corporations (wages in North Korea are only one-tenth what they are in the South).

It seems likely North Korea's peaceful integration in the East Asian economy will also come about through growth triangles—controlled experiments in the market economy which (for a still-totalitarian state) have the additional virtue of confining in both scope and depth the degree of the foreign intrusion.

Pyongyang has already designated an export zone close to the Chinese border. And it is likely the South Korean *chaebol* will not lag far behind the diplomats. The Northeast Asian growth poles will link up North China, the two Koreas, Japan and Russia's Far Eastern territory of Siberia.

Already China and Japan have become the biggest trading partners of Russia's Far East; together they account for more than 70 percent of Russia's total foreign trade in Northeast Asia. Work underwritten by both the Asian Development Bank and the United Nations Development Program is beginning on a cooperative program for developing the Tumen River delta, in the strategic coastal region where the North Korean, Russian and Chinese borders converge. Japan, South Korea and even Mongolia are also investing in this area development program.

### **Improving efficiencies of the growing triangles**

Within ASEAN, we in the Philippines hope the growth triangles will foster habits of cooperation that would lead to the unification of Southeast Asia.

In the East ASEAN Growth Area, we have already expanded air and sea linkages between Zamboanga in Western Mindanao and both Labuan and Sandakan in Borneo and Manado in North Sulawesi.

Some 800 businessmen got together in the First East ASEAN Business Convention in Davao City earlier this month. Robert Kuok's Shangri-La is building its fourth Philippine resort hotel on an island off Davao City; a Westmont affiliate firm has the controlling interest in the publicly owned National Steel Corporation in Mindanao.

The Philippine Government is investing heavily in infrastructure for Mindanao—in seaports, airports, roads and highways, communications, electric power—to prepare it for full participation in the East ASEAN Growth Area.

### **Fostering equality of benefits**

The problems of the Singapore-Johore-Riau growth triangle apparently arise from its failure so far to spread the perceived benefits from the collaboration in a way that satisfies every partner. For instance, a Malaysian paper on Sijori noted that “many are of the opinion that the Growth Triangle is nothing more than a corridor managed by Singapore.”

The study, done in 1991, may be dated; but it did express the fear that development in Johore might be achieved at the expense of other regions of the Federation. It was apprehensive that the dominant partner might shift both its “sunset” and pollutive industries to the weaker ones. It raised eventual problems of political loyalties and ethnic balance.

These political and cultural apprehensions are even more difficult to allay than administrative complications, such as the leakage from duty-free zones into the larger economy.

In some cases, even the labor-cost differentials between the national components of a growth triangle can seem exploitative. For instance, the wage differential between Hong Kong and Guangzhou in 1989 was almost 7 to 1; between Singapore and Batam, by contrast, it was less than 4 to 1.

Complementary—as opposed to competitive—relationships by definition denote an unequal partnership, at least in resource endowments. But these resource endowments can of course be changed by State policy. Every participant in a growth triangle must obviously make its own cost-benefit analysis—and then endeavor to optimize the benefits its participation brings in. (Some of these benefits—for instance, the stimulus to entrepreneurship, scientific and technological education, and the national work-ethic—will obviously be long-term and difficult to quantify.)

Decisions recently made by the 18 leaders of APEC—in Boor, Indonesia—should speed up both the pace of free trade in the region and intensify cooperative efforts to develop more effectively the human resources of our countries through education and skills-training. Fully free and open trade will be in place by the year 2020—ten years earlier (2010) for the industrialized economies of the Asia-Pacific.

On my suggestion, the APEC Summit agreed to incorporate in apec’s work plan for developing the region’s human resources concrete measures to protect the rights of workers; develop and upgrade their skills, taking into account the changing requirements of markets, and afford them the opportunity to seek the highest return for their efforts.

### **The future of growth triangles**

In summary, we in the Philippines regard the East ASEAN growth poles as the building blocks of both regional stability and Southeast Asian integration.

I believe firmly that we in Southeast Asia have no alternative to eventual unity if only because—separately—our ten countries in the region cannot stand up to the intense competition of the emerging global economy, and the multipolar *Realpolitik* that might yet replace the relatively simple power configuration of the Cold War period.

When—not if—this time comes, our entire region will become part of a larger Southeast Asian growth area, working in synergy with China and Japan, the countries of Northeast Asia and the entire Asia-Pacific Basin in one great growth pole of the larger world community.

Ramos, F. V. (1995). *From growth to modernization : raising the political capacity and strengthening the social commitments of the Philippine State*. [Manila] : Friends of Steady Eddie.

## **Speech of President Ramos at the 1994 Malaysia Summit Meeting**

**Speech  
of  
His Excellency Fidel V. Ramos  
President of the Philippines  
At the 1994 Malaysia Summit Meeting**

[Delivered in Kuala Lumpur, November 22, 1994]

### **Polygons of opportunity**

#### **I. EAST ASIA ENTERS THE ZONES OF PEACE**

OVER this past generation, we have seen how economic growth can make countries not just richer but safer. We have seen how force—which has for so long arbitrated the relationships between nations—can give way to the benign regime of mutual benefit.

In fact, for the richest and most settled portions of the globe—the democracies of Western Europe and the Americas—war has become outmoded as an instrument of competition.

Where there has been little or no growth, and even less development—as in anguished Africa—“the condition of man” still is “a condition of war of everyone against everyone.”

East Asia today I would locate in the intermediate zone between these “zones of peace” and “zones of turmoil.”

Our peoples have not entirely escaped poverty, the fear of violence or the reach of arbitrary governments. But the vigorous growth and increasing interdependence of our economies enable us to hope the time will soon come when our countries, too, enter the “zones of peace”—when our mutual security will depend no longer on arms and alliances but on peaceful commerce and integration in the East Asian community.

#### **Growth founded on regional stability**

East Asia’s amazing growth is founded on regional stability—which in turn is built on the regionwide emergence of market systems, and the recognition by all our countries of our need for regional peace if development is to continue.

Growth poles—from Hong Kong-Taiwan and South China; through Singapore, Johore and the Riau Archipelago; through Penang, Sumatra and Phuket, to Brunei Darussalam-Sarawak-Sabah-Mindanao-Sulu-Sulawesi and Manado—are teaching our local peoples the virtues of working together. And interregional trade now binds our countries all the way from Japan down to Australia.

These regional units of cooperation—increasingly known as “growth triangles”—are the building blocks of regional stability. Malaysia is a key player in propagating the growth triangles in ASEAN. Through its western states of Penang and Johore, and the eastern states of Sarawak and Sabah, Malaysia is part of all three growth triangles already organized in ASEAN.

#### **II. GROWTH AREAS TODAY’S ENGINES OF GROWTH**

Today’s engines of growth,” observes the Japanese management expert Kenichi Ohmae, are not nation-states but “regional states.”

Ohmae refers to the economic units being drawn by the new manufacturing technology—whose boundaries do not always coincide with those on political maps. In our part of the world, these natural economic units bestride national boundaries. Others are focal points within nations (like North-em Italy and Wales in England).

In the standard East Asian term, the “growth triangle” is a local zone of economic cooperation crossing national boundaries—exploiting complementarities between geographically contiguous areas of different countries to gain a competitive edge in production for export. In Kenichi Ohmae’s view, “All are defined by the logic of the market rather than the dictates of politicians.”

### **The role of regional statesmen**

In East Asia, at least, this view is contradicted by the facts. The initiative of regional statesmen in starting up cross-border growth poles has been crucial. And the first requirement for the success of these economic alliances is the political commitment of country leaderships. In East Asia, growth triangles are as much instruments of foreign policy and national security as they are instruments of economic policy.

For instance, the Singapore-Johore-Riau Archipelago growth pole apparently took off only after President Suharto decided to allow 100 percent foreign ownership of factories on Batam Island. For Singapore, “Sijori” satisfactorily diversifies between Indonesia and Malaysia its immediate supply of business partners, foreign workers, factory space and even drinkable water.

The East ASEAN Growth Area (EAGA) the concept for which was initiated by the Philippines changed the entire focus of the relationship between Malaysia and the Philippines from the political to the economic. Once Prime Minister Mahathir Mohamad and I with the support of Indonesian President Soeharto had agreed to set aside the contentious issue of Sabah and allow the expansion of economic relations even while we worked at its resolution, trade and investment between our two countries began to expand dramatically.

Early this year, Prime Minister Mahathir came to visit, bringing 80 leading Malaysian businessmen with him. Since then Malaysian investments have boomed in my country: the Malaysian tycoon, Robert Kuok—who is now working on his fourth Shangri-La Hotel in the Philippines, has become our single biggest foreign investor. And the conglomerate Westmont alone is planning to invest 18 billion pesos in Philippine banking, power, steel, and property over the next two years.

EAGA is only one result of this renewed—and reinvigorated—economic interaction.

### **Deng Xiaoping and the mother of all triangles**

Finally, consider how great an influence the “mother” of all our growth triangles—the great growth pole radiating from the coastal provinces of Guangdong and Fujian in Southern China; Taiwan, and Hong Kong—has had on East Asia’s political stability these past 15 years.

It began with Deng Xiaoping’s vision of substituting development for class warfare as post-Mao China’s highest order of business. China’s leap to modernization by importing foreign equipment and technology on a large scale began with Deng’s decision to normalize relations with the United States and then with Japan—and also to thin out the Chinese forces that had been massed on the coast opposite Taiwan for 30 years.

These diplomatic and military preparations were completed in December 1978—only 17 months after Deng’s third reinstatement to political power. Deng then proposed setting up “special economic zones” in which foreign investment would be allowed on concessionary terms. The rest is history—which even the Tiananmen massacre of 1989 could not disrupt.

The political change in China—and East Asia—has been even more dramatic than the economic. By degrees—according to Sir Richard Evans, British Ambassador to China from 1984 to 1988—Deng Xiaoping substituted an

optimistic for a pessimistic view about the possibility of the world's remaining at peace. He began to talk of conciliation instead of the encouragement of revolution in speaking about China's approach to regional conflicts and civil wars, and about "opening to the outside world" instead of self-reliance in discussing China's international economic relations. He dropped Leninism altogether, arguing that, far from making conflict between them inevitable, the economic relationships between the rich countries of the North and the poor countries of the South created an interdependence which made it both possible and desirable for them to collaborate.

### **Growth triangles in ASEAN**

The concept of the "growth triangle"—the phrase was coined by then Deputy Prime Minister Goh Chok Tong in December 1989 in referring to Sijori—fits in nicely with ASEAN's customary approach to any regional problem—being modest, informal, unbureaucratic; tentative, subtle and flexible.

Sijori is not without its teething problems. But it has worked well enough to encourage two more growth poles in ASEAN. One—agreed on initially between Prime Minister Mahathir and President Soeharto—will link Penang with Sumatra and Southern Thailand. The other—initiated by the Philippines—will tie together Brunei, Malaysian Borneo, Mindanao-Sulu and the East Indonesian islands of Sulawesi and the Moluccas. In the eighteenth century this was a unified trading area, led by the maritime state of Sulu.

A fourth Southeast Asian growth zone—linking parts of Myanmar, Laos, Thailand and China—is also apparently starting up, with some help from the Asian Development Bank.

The growth-triangle concept has taken hold because it is a controlled experiment in regional cooperation—whose adverse effects (if any) can be limited to the triangle, but whose beneficial results can subsequently be applied to the economy as a whole. It offers the benefits of regional integration—without great loss of economic sovereignty.

### **Export zones with synergy**

The growth triangles differ from the straightforward export-processing zones in that they can exploit economies of scale and integrate the comparative advantage of every member-country. They are export zones with the synergy that comes from mixing various corporate cultures and resource endowments.

The exchange is straightforward. The investing countries provide capital, technology and management skills. The receiving countries provide labor—both skilled and nonskilled—the land and other natural resources.

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## **Speech of President Ramos at the First Philippine Women Lawyers' Conventio**

### **Speech of His Excellency Fidel V. Ramos President of the Philippines At the First Philippine Women Lawyers' Convention**

[Delivered at Malacañang, December 7, 1994]

#### **Empowering women**

NOT VERY LONG AGO, I was deeply shocked and troubled to read a newspaper report about a mother of four young children in Davao who was charged with killing her youngest daughter. The mother said that the pressure was simply too much to bear. Her husband, a laborer, was earning 60 pesos a day, of which 10 went to his jeepney fare. There was simply not enough for all their basic needs.

This woman had herself been physically abused as a child, and now the cycle came around viciously; she was alleged to have beaten her child to death.

And she remained in jail, because she could not afford a lawyer to represent her.

#### **Our social reform agenda**

But this cry of desperation from the extreme margins of our society must be heard—by Government, by the private sector and by citizens in a position to help, like yourselves.

For such reasons as that family, and for millions of other Filipino families, my Government has emphasized the social component of our Medium-term Development Plan. This social reform agenda provides for more programs to assist women, mothers, children and the poor of our society.

The “Philippines 2000” that we seek to achieve is premised not only on economic growth, as important as it is, but also on social justice and compassion, which give a human face and purpose to development.

And we cannot reach Philippines 2000 hobbling on one foot. To make great strides, we need both feet on the ground—those of men and those of women.

Thus we seek to empower women—to give them fuller control of their own lives and choices—by giving them more and better opportunities for livelihood, education and self-improvement.

We want the Filipino woman to feel and to fulfill her coequal status as an active partner in nation building.

Your theme for this convention—“Women Empowerment for Justice, Progress and Stability”—reflects the same objectives. There is a great and continuing need for the special concern we give to the welfare and advancement of women.

#### **Changing the odds**

We Filipinos often pride ourselves on the fact that successful women abound in this society, and that we have traditionally given the highest regard to womanhood. Women have made outstanding contributions to our political, economic and cultural life.

But, largely, that success was still secured against the odds—against the prevalence of a culture of machismo; against patronizing attitudes that continue to see women as “the weaker sex”; against indifference, if not hostility, at home and in the workplace, to the interests of women.

It is now time for the odds to change. Even as we speak of “leveling the playing field” in business, women must be given equal opportunities to prove themselves in all their capacities, beyond their traditional roles, which have often restricted them.

And all of us—men and women like—must take a proactive stance toward changing those odds, by addressing the special needs and problems besetting Filipino women today.

Those concerns include, but are not limited to, more and better jobs, better education, health and child care, protection from abuse and sexual harassment, and help with family planning.

And I cannot put too much emphasis on the necessity for Filipino men to share in this consciousness—to understand and to accept its premises and its implications, and to assist women in achieving the fullness of their persons.

At the same time, there is a great need for women themselves, particularly the poor and uneducated, to be made aware of their rights, their opportunities and their options. They must be helped to pull themselves out of the cycle of poverty and despair. They must learn to believe in themselves, and we must give them a good reason for doing so.

### **The rule of law**

Those of you in the law are especially privileged, not only to have reached the pinnacle of your profession, but also to be of service to others, which is the noblest purpose of the law. And your contributions—to women, and to all our people—are of utmost importance to our development.

You meet at a time when momentous changes are taking place in our economy and society—changes that will define the status and the character of the nation for several generations.

Many of these changes are positive and exciting, such as the economic turnaround we have achieved on the strength of bold new policies to liberalize the economy. Some of them will be a challenge, a test of our will to make the sacrifices necessary for our strategic growth, such as a more progressive tax system of which the expanded Value-Added Tax Law is an important component, and our projected accession to the Uruguay Round of the General Agreement on Tariffs and Trade and the World Trade Organization.

We have put and continue to put in place political and electoral reforms, to strengthen our democracy and the foundations of our national unity. We are engaged in a quest for principled peace with all our dissident brothers and sisters, even as we have launched an all-out war on crime and corruption.

All of these require a solid legal framework, which we must uphold and which our people must understand to be reassured of the rightness of our actions.

### **A united front**

We uphold the rule of law not only because it is our best insurance of peace, but also because it ensures that the peace will be fair to all.

We have scored great successes over the past two years in bringing peace to our country, and in instilling in our people a respect for the laws that bind us together. The fight, however, is far from over. Many elements are ranged against the cause of peace and justice, and against them we must present the strongest united front.

Our problem has never been a lack for laws. We have enough of them—good and sensible ones, which we are still seeking to improve. Our problem has been in their enforcement and implementation—and in convincing the citizenry that we mean business.

And this, with your help, we can and will do. Our women lawyers can do much to educate our people about their legal rights and responsibilities. And they can, as well, take an activist stance in exposing and fighting crime and corruption in defending the weak and the poor, and, most especially, in promoting the interests of women in society.

I note that there has been a marked increase in the number of women students in our law schools, and that women now account for 11 percent of the legal profession. I expect this number as well as the number of women engineers and scientists to rise dramatically in the years to come, toward a fairer representation—within the profession itself—of the best and brightest of Filipino women.

In the meanwhile, this convention is a milestone for women and the law in the Philippines, and I wish it every success.

This convention, I was informed, hopes to become a regular forum to collate and discuss national issues. I encourage you to pursue that plan.

I need you on my side, to help me argue my case for Philippines 2000; with you as my counsel, I am confident that I will get a positive verdict when I face the court of history.

With this admission of my arguments, I rest my case.

*Source:* **Presidential Museum and Library**

Ramos, F. V. (1996). *Our time has come : the goals we set ourselves to obtain for our people are now within our reach*. [Manila] : Friends of Steady Eddie.

**Speech of President Ramos at the Fifteenth Annual General Meeting of the Asian-Pacific Bankers' Club**

**Speech  
of  
His Excellency Fidel V. Ramos  
President of the Philippines  
At the fifteenth annual general meeting of the Asian-Pacific Bankers' Club**

[Delivered at Shangri-La Hotel, Makati, January 26, 1995]

**A shared vision of Asian development**

I AM DELIGHTED to welcome you all to Manila.

Business opportunities are rising in the Philippines, as they are rising in many countries of the Asia-Pacific. We are proud to say we have put our economy back on track—with not a little help from friends like you.

The structural reforms we have made are paying off—entrepreneurs are responding very well to the new opportunities these reforms are opening up. And we in Government are determined to sustain the momentum of change and growth.

**Liberalization and deregulation**

Of interest to this forum are liberalization and deregulation policies we have carried out in several key areas.

We have liberalized and deregulated the foreign-exchange market, alongside our new foreign investment law.

We have dismantled the monopolies and cartels that had curtailed the efficiency and productivity of our industry.

We have begun opening up our economy to the new world trading order.

And we are set to implement the recent liberalization of banking—which allows the entry of 10 foreign banks for the first time in 46 years.

The restoration of purpose in Government and of consensus in national society have brought the Philippines to the attention of global investors. Our capital market has benefited from their increasing trust and confidence. In 1993 Philippine portfolios returned 152 percent on investment—the third-highest return in developing-country markets. Because of the corporate strength of companies listed in our equities market, we are confident our market will match the growth of the larger markets in the Asia-Pacific. Our optimism is based on both our efforts to sustain what we have gained and the globalization—and free flow—of capital.

**Globalization is the call of the times**

Globalization carries both opportunities and challenges for developing countries—particularly for us in this region, which is the fastest-growing in the world. That we must seize the opportunities opening up is plain. Much too long have we Filipinos remained spectators at the Asia-Pacific's banquet of growth and development.

But, just as important, we recognize the need to make adjustments in financial policy—to soften the sometimes disorienting impact that the free flow of capital has on still-vulnerable economies like ours.

For instance, the surge of foreign portfolio and direct investments into this country has appreciated the peso. In these last few months, the peso's appreciation has begun to hurt Philippine exporters. Since the export sector must be our primary growth sector—if our open economy is to survive international competition—we should cushion it as far as we can from the shocks arising from currency fluctuations.

The answer to problems like this is not to retreat from globalization—but to adjust to it. And this is what we are doing in this country.

Let me assure you—here and now—that our policy agenda is firm. The Philippines is open for business—and we will do business not only here at home: we will also venture out to compete internationally.

In cooperation with our neighbors and partners in ASEAN, we are looking initially beyond our traditional markets and identifying areas where our collective efforts can enhance our mutual benefit.

### **Regional initiatives**

We believe regional cooperation can lead to expanded markets, greater trade, more efficient production and competitive pricing of products and services. Several joint ventures between Filipino and ASEAN entrepreneurs in various sectors have been agreed on; others are on the drawing board.

The most significant of these joint ventures are in the strategic areas of banking and finance, property development, tourism, infrastructure development, exports production and telecommunications.

The Common Effective Preferential Tariff program which the ASEAN states have agreed on will lead to an ASEAN Free-Trade Area (AFTA) early in the new century. Tariffs on most manufactured and processed agricultural goods in the ASEAN region will be reduced either to zero or to 5 percent by the time AFTA is fully implemented in 2003.

This ASEAN Free-Trade Area will mean a market of about 330 million and diversified sources of price-competitive raw materials. We may also expect by then the greater mobility of skilled and managerial workers among the ASEAN countries—as a result of compensation differentials and shifts in demand for specific skills and work experiences.

### **A perceptible expansion of vision**

On a larger scale, the new World Trade Organization will be creating the same kind of market access. Beginning this year, its 102 member-states have a maximum of ten years within which to lower their tariff structures to levels agreed on during the Uruguay Round of negotiations.

In short, I see a perceptible expansion of vision by statesmen and entrepreneurs in much of today's world—a raising of sights from the national level to the regional and the global. I see rising a shared vision of growth and development—bringing developed and developing countries together—North and South, East and West—to the same banquet table.

### **Liberalizing our economy**

We in the Philippines are determined to sit at that table. And we will do all that is necessary to take part in these new global arrangements—and maximize the opportunities opening up for our economy.

Thus you may expect the further opening of our Philippine economy to global competition.

I must say we have received an enthusiastic response to our financial reforms. Governor Gabriel C. Singson of our Central Bank has received applications to open here from among the world's biggest banks.

Right now, we have 33 commercial banks in the country—four of which are foreign.

Among the Filipino banks, the Philippine National Bank is still 57 percent Government-owned. I mention this not only to note that your club president, Arsenio Bartolome, is also president of the PNB, but to underscore our resolve to continue its privatization. I would be happy to see PNB become a private bank soonest.

Privatization has been an effective vehicle of our efforts at deregulation. Last year, in our biggest privatization issue, we sold one billion shares of Petron—our biggest oil company. The initial public offering fetched Government P10.4 billion—and spread ownership of this country's largest oil refining and distribution company among 459,000 small investors.

Through deregulation, liberalization and privatization, we are laying the foundations of a more productive, more efficient and more equitable economy. But we are not about to sit back and congratulate ourselves on what we have merely begun. We must keep up the vigor of change, ensure our economy remains on track, and move it toward self-sustaining growth.

We have paid too much for the gains we have made, for us to fall into the trap in which Mexico, for one, has fallen. We will pursue growth with aggressive prudence—strengthening those sectors of the economy that are vulnerable to shocks arising from abrupt changes in capital flows through the world economy.

### **International confidence**

There is an aspect of the Mexican crisis I must remark on—and this is that it seems driven not merely by the erosion of international confidence but by sheer investor panic. Between the acknowledged shortcomings of Mexican managers and the response of international portfolio investors, there is a clear disproportion. And there is an even greater disproportion in the way the crisis is extending to developing economies that do not even remotely resemble Mexican conditions.

What the Mexican crisis implies for economies like ours is that the foreign investments genuinely good for us are those that stay with us over the long term—not those revolving-door investments in easy profits. We need investors who would be partners with us—investors who share our vision of the future and who are willing to grow with us.

As Adam Smith said long ago, investment is the activity that makes our societies productive. By investment are factories built—multiplying by factors of tens, hundreds and thousands the material goods that human minds and hands can fashion in an hour of work.

And it is bankers like you who have the commanding view of this saving-and-investment process that creates wealth for people to enjoy. Give us, then, your wholeheartiest support in this time of opportunity for the developing countries of Asia. Share our vision. Join our team. Grow with us.

*Source:* **Presidential Museum and Library**

Ramos, F. V. (1996). Our time has come : the goals we set ourselves to obtain for our people are now within our reach. [Manila] : Friends of Steady Eddie.

**NATIONAL GOVERNMENT PORTAL – EDITED AT THE OFFICE OF THE PRESIDENT OF THE  
PHILIPPINES UNDER COMMONWEALTH ACT NO. 638**

**Speech of President Ramos at the launching of the Proton Wira with Prime Minister Mahathir Mohamad of  
Malaysia**

**Speech  
of  
His Excellency Fidel V. Ramos  
President of the Philippines  
At the launching of the Proton Wira with Prime Minister Mahathir Mohamad of Malaysia**

[Delivered at the Philippine Trade Training Center, Roxas Boulevard, Manila, January 28, 1995]

**The first ASEAN car**

TONIGHT, as we launch the Proton Wira, we again demonstrate to the world that cooperation among the members of the Association of Southeast Asian Nations has taken firm root, and that this cooperation brings concrete benefits and advances the goals of our regional community.

For the Proton is indisputably the first ASEAN car. It is a product of the close partnership between the Philippines and Malaysia.

Our two nations, in sincere and dedicated efforts to enliven the spirit of ASEAN brotherhood and mutual assistance, have combined their human, financial, natural and technology resources to manufacture the Proton in the Philippines.

**Philippine-Malaysian collaboration**

In the Proton we see the fulfillment of a shared commitment that had its beginning when I visited Malaysia at the start of my term.

This was concretized by an agreement made by the Philippines and Malaysia during Prime Minister Mahathir's State visit to the Philippines just 12 months ago, to produce the Proton cars in the Philippines under the ASEAN Industrial Joint Venture Program. We reaffirmed this pledge in September 1994, when Prime Minister Mahatir and I met once more, at the world economic summit in Singapore.

All in all, it took two years of negotiations between our governments, coupled with hard work among the private industrialists in our two countries involved in the project, to bring us to this moment.

We have proved that economic partnership between our nations can bring mutual benefits, more so when we enlist, rely upon and place unreserved trust in the participation of the private sector.

**A boost to the automotive industry**

Proton Pilipinas will give the Philippine automotive industry a big lift. It will make possible the first completely built car export from the Philippines, plus major ancillary industries that will produce engines, transmissions and automotive components.

The Proton plant will also open new avenues for livelihood and job opportunities that will benefit the people of Pangasinan, where the plant will be located.



And the establishment of Proton operations in our country will no doubt help expand our industrial capabilities and brighten Philippine modernization prospects.

On behalf of our Government and people therefore, I would like to thank His Excellency, Prime Minister Dato Seri Dr. Mahathir Mohamad for opening this opportunity for us to embark on this promising endeavor.

Together with other projects in power generation, tourism, banking, steel manufacture, telecommunications, roads and water supply that showcase and build on Philippine-Malaysian cooperation, this undertaking reaffirms our close economic collaboration.

It is a testimony to ASEAN unity, ASEAN cooperation and ASEAN pride.

Source: **Presidential Museum and Library**

Ramos, F. V. (1997). *Leadership for the 21st century : our labors today will shape our country's future*. [Manila] : Friends of Steady Eddie.

**Address of President Ramos on the fourth anniversary of the Philippine National Police**

**Address  
of  
His Excellency Fidel V. Ramos  
President of the Philippines  
On the fourth anniversary of the Philippine National Police**

[Delivered at Camp Crame, Quezon City, January 30, 1995]

**The challenge of law enforcement**

ALTHOUGH the challenge of crime to our society can never leave our minds, I believe we can allow for a moment of quiet celebration here today.

At the outset, let me convey to the Philippine National Police the gratitude of our entire nation for its commendable performance in ensuring the success of the visit of Pope John Paul II and the observance of World Youth Day.

Sometimes it takes colossal events like the papal visit to remind us and the world what we Filipinos are really capable of. In that demonstration of national capacity, excitement and fervor, security and crowd control were as important as the other arrangements.

**The PNP our country deserves**

In this vital mission of securing the Pope you of the PNP acquitted yourselves splendidly. You acted firmly yet gently. You were everywhere yet unobtrusive. And you were resourceful and cool in the face of what may have been the largest crowd ever to assemble in one place in national and even world history. Some still doubt that it was the biggest of all; but we cannot be in doubt about the PNP's credible performance. This is the PNP all Filipinos want but do not always get. This is the PNP that our country deserves.

Let me quote from former Secretary of Foreign Affairs Raul Manglapus, who said in a recent speech:

The director of the National Historical Institute informed me that nothing like Luneta January 15 has ever been recorded in history, ancient or modern. The nearest things to it took place in 1948 and 1949.

In New Delhi in January 1948, almost four million—in a country then of 600 million—together stood at the cremation of Mahatma Gandhi.

In Beijing, in October 1949 three million—in a country then close to one billion—gathered to mark the victory of Mao's forces.

One must look behind the numbers.

Beijing was a military celebration overseen by victorious but still dominating weaponry.

New Delhi was lamentation and tears for the passing of a world giant, organized by the central government.

There were no tears at the Luneta except those of joy and exultation. There were no hymns of protest against governments, present or past—only chantings of love and peace to all.

The Government did not organize it. But Government, in quiet confidence and wielding nothing but democratic police power, ensured that five million Filipinos could safely, solidly and exuberantly proclaim their commitment to peace.

There was, perhaps, one word to describe it all—stability.

### **A fresh start**

By name and mandate, the PNP was and is a new national police organization, completely civilian. Many among you and the AFP had to make a choice between becoming a civil servant or remaining in the Armed Forces.

By necessity and circumstance, the PNP was born of the reformist spirit of our People Power Revolution at EDSA in February 1986 and the struggle to maintain our democracy against several coup attempts—the last occurring in 1989, or just a year before the passage of Republic Act 6975 in 1990.

By purpose and design, the PNP represented a fresh start in coping with the challenge of crime in our free society.

The year past was not an easy one for the PNP. I am aware of the unremitting efforts of its men and women to deliver quality service, but your success have been overshadowed by unfortunate incidents that drew greater public notice.

These were the assassination of police officers, the kidnapping or murder of prominent citizens, the rash of bank robberies. There was a discernible increase in rape cases. Scalawags in the service continued to figure in criminal activities.

While statistics show that you have a good batting average in solving cases, people mainly remember the unsolved ones. The PNP's year-end report reflects solid gains on the peacekeeping, loose firearms collection, and crime prevention fronts. The decrease of serious crimes by 8 percent is particularly significant.

But statistics do not impress the people. Our people demand tangible proof that we are indeed gaining in the fight against criminality.

### **The importance of teamwork**

The quick solution of crimes is an area where immediate and solid results can be posted. In my recent dialogue with members of the Crusade Against Violence, I committed the executive branch to speed up the solution of cases and the swift delivery of justice. But as we all know, the valued contributions of the judiciary, the legislature and the concerned citizenry must be inputted.

For this purpose of improving our overall and collective performance in crime fighting and prevention, we have set the third anniversary of our National Peace and Order Summit on February 16 as our next opportunity to forge a more effective action plan.

We cannot exaggerate the importance of teamwork, because developing an effective criminal justice system requires precisely that. All the five pillars must cohere and work as one.

Today, therefore, I wish to emphasize additional initiatives for the success of the anticrime effort.

First, I direct all executive agencies involved in this campaign—the PNP, the National Bureau of Investigation, the Presidential Anticrime Commission, the Department of Justice, the Department of the Interior and Local Governments—to provide the example of teamwork and solidarity.

Once and for all, let us put a stop to the quarrels coming from law enforcers over turf and credit. No one should pretend to be the pope among you. And you should not allow drumbeaters to provoke one-upmanship within the system. In other words—let us focus on teamwork and set aside intramurals.

To ensure coordination, I will meet henceforth with the heads of all these agencies to review the crime situation regularly and periodically.

And second, we will revitalize the Department of Justice to energize and support the anticrime effort. The Department has charge of the prosecutorial and correctional pillars of the criminal justice system.

Where delay in justice delivery has to do with shortcomings on the prosecution end, let us resolutely resolve it. Where delay has to do with the judiciary, let us ask the Supreme Court and our judges for expeditious action.

### **Internal strengthening**

Our anticrime strategy depends to a large extent on institutional capacity and morale in every pillar of the criminal justice system. Nowhere is this more needed than in the PNP itself, where the greatest number of our anticrime fighters is located.

We must not only improve systems and technology. We must look at the individual police officer—his training, his professionalism, his welfare.

I assure you that your commitment and sacrifices to keep homes and streets safe for our citizens have not gone unnoticed. But you must not be blind to the existence of rotten apples in the barrel, who inevitably taint the PNP organization as a whole. For this reason, the PNP must relentlessly press on the cleansing process it has instituted under “Oplan Pagbabago”—until the internal culture of corruption and abuse is rooted out.

Equally, I am ever conscious of the need to match public demands for better police services with more welfare for police personnel and their dependents.

At this point, there is not much we can do until next year—beyond what we have already done in 1995—in terms of salaries and allowances.

### **Noncash benefits**

But there is a package of noncash benefits being worked out—designed to provide for your basic needs such as affordable and decent housing, comprehensive medical and dental services, and livelihood programs that will generate that much-needed additional income. The package also includes educational assistance for PNP personnel and their dependents.

The housing need is particularly acute. Over the next five years, the PNP proposes to build on-base units consisting of 60 four-story condominiums, 200 10-door apartments, 47 quarters for married and bachelor officers and 161 barracks. These structures will be distributed in various PNP camps nationwide.

The proposed on-base housing project will provide dwellings for some 19,000 employees. The remaining 58,000 who cannot avail themselves of private or Government-provided housing shall be assisted in acquiring private homes in socialized and low-cost mass housing under the off-base component of the nationwide PNP housing program.

The PNP’s scholarship program is another source of relief for the financially burdened PNP personnel, particularly for dependents of personnel killed or incapacitated in the performance of duty.

The special financial assistance was made possible by Republic Act 6988, which provides for the education of qualified children of dead or incapacitated personnel from the elementary to the collegiate or vocational school levels.

I cite these benefits to underline the Government's continuing concern for the welfare of the law enforcers and their families. I would like nothing better than to see the standard of living of the men and women of the PNP raised to real dignity and reasonable comfort.

This is where we cannot emphasize enough the umbilical connection between public order and socioeconomic development. For as our country modernizes, so will the Government be able to pay its public servants better and help their families more.

### **Crime and the economy**

Since time immemorial, public order has always been the first precondition for progress.

When public order breaks down, when citizens are afraid to move about freely, when contempt and mistrust characterize public attitudes to lawful authority, and when the Government cannot effectively enforce the laws—then the economy cannot move forward. Lawlessness becomes a plague on all our houses. Only the criminals profit.

On the other hand, when peace and order reigns in society, industry and agriculture can operate without interruption, workers can produce more, profits can be plowed into more investments in the economy and more rewards for our workers and citizens, and the country can be more attractive and competitive in the world.

More than just the advancement of the economy, public order means the advancement of our quality of life.

The past four years of the Philippine National Police have not been in vain. It is evolving into a modern and cohesive police organization. It is carrying the fight to the criminals, not just awaiting their blows.

So you have reason to be proud, and the country to be grateful.

But in the midst of this celebration of your fourth anniversary, do not forget that the battle is not done. Indeed it will never be over. You must ever strive to do more. And you can do much much more.

*Source:* **Presidential Museum and Library**

Ramos, F. V. (1996). Our time has come : the goals we set ourselves to obtain for our people are now within our reach. [Manila] : Friends of Steady Eddie.

**Speech of President Ramos at the 1995 International Rice Research Conference of the International Rice Research Institute (IRRI)**

**Speech  
of  
His Excellency Fidel V. Ramos  
President of the Philippines  
At the 1995 International Rice Research Conference of the International Rice Research Institute (IRRI)**

[Delivered in Los Baños, Laguna, February 13, 1995]

**A  
Revolution**

**second**

**Green**

THE PHILIPPINES has the distinct honor of having been the host of the International Rice Research Institute (IRRI) for 35 years.

IRRI was founded by the Ford and Rockefeller foundations in 1960 when the doomsayers were predicting an impending world famine in the 1970s. The world, they said, simply would not be able to feed its growing population.

All of you know very well that those predictions did not happen—mainly because the pessimists had underestimated the capacity of scientists to solve human problems.

**Benefits for the Philippines**

High-yielding, early-maturing and fertilizer-responsive rice varieties produced by IRRI, and superior varieties of wheat produced by Centro Internacional de Mejoramiento de Maiz y Trigo in Mexico, doubled and even tripled rice, corn and wheat yields.

Thus they ushered in the Green Revolution of the 1960s and 1970s. The rest is history with which you are all familiar.

The Philippines has greatly benefited from the research results and modern technologies produced by IRRI. For instance:

- Modern rice varieties and associated technologies, complemented by the Government's investments in irrigation systems and support services, increased rice production in the Philippines at an annual rate of 4.2 percent from 1970 to 1989.
- The Philippine population *increased* from 39.2 million in 1974 to 65 million in 1994, while riceland *decreased* from 3.6 million hectares to 3.3 million hectares, yet our country has been able to achieve self-sufficiency in rice almost every year. This was due to the availability of modern varieties and associated technologies.

In 1994, with favorable weather for rice production and a more focused Government rice production program in key production areas, we produced a record harvest of more than 10 million tons.

- Without modern rice varieties and associated technologies, the Philippines would have an annual rice deficit of at least 6 million tons of rough rice, or 4 million tons of milled rice.

Importing that amount of rice at the current price of US\$280 a ton would cost the country about US\$1.1 billion.

- IRRI's collaboration with the Philippine Rice Research Institute (PHILRICE) and the Department of Agriculture in the promotion of nonchemical tactics for pest control (integrated pest management) has reduced pesticide sprayings from six times in 1987 to one to two times per rice crop today.

### **Declining donor support**

This has saved the country about \$15 million worth of pesticide importation every year, and has resulted in less pollution of the environment.

Other countries in Asia have also benefited from the Green Revolution. Indonesia, a traditional importer of rice in the 1960s, 1970s and early 1980s, is now self-sufficient in rice in spite of its rapidly growing population.

Vietnam, using modern rice varieties from IRRI, is now exporting rice. India, with its ever-increasing population, is also able to meet increasing demands for rice almost every year. Bangladesh, except for years of extremely bad weather, is able to produce enough rice to meet its needs.

Yet, support from the donor community for IRRI—and 15 other international research centers around the world under the Consultative Group for International Agricultural Research—has been decreasing annually since 1989.

Many donors have dropped food production and agriculture from their list of priorities, and are now putting more emphasis on environment protection and natural resource management as priority areas for support, as if food production and environment protection could be dissociated one from the other.

Obviously, there is a need to reverse the trend of declining donor support for research on rice and other food crops. You, as knowledgeable scientists who appreciate the challenges of the twenty-first century better than most, have a responsibility to enlighten the donors—and the taxpayers, too.

### **A sustainable second Green Revolution**

It is about time that the developed and developing countries, particularly in Asia, which depend on rice as their principal source of calories, began supporting rice research at the national and international levels. As distinguished and well-informed scientists, you can convey to donors for agricultural research this message of support, which is essential to our survival in the future.

We should guard against complacency on food security issues. Our immediate problem is how to increase rice production every year to meet the demands of 50 million more mouths to feed every year. There is almost no leeway to increase the amount of arable land for rice production.

Our biggest challenge, therefore, is how to produce more rice on less land—and how to do this with less water, less rural labor and, especially, less of the pesticides that pollute our streams, rivers and lakes.

Obviously, we need another Green Revolution—a sustainable second Green Revolution that will meet the world's ever-increasing food requirements, and which will protect our agricultural resource base and our environment.

### **Need for collaboration**

The awesome, challenging task of producing more food with fewer resources cannot be accomplished without international cooperation.

We need to harmonize the efforts of international agricultural research centers such as IRRI and national research institutes and centers such as PHILRICE, along with adequate support from both donors and national governments.

Equally important are the role of universities in research and the training of personnel, and the role of the private sector in the use of modern technologies in the production, processing and marketing of food products and byproducts.

The National Government also has a key role to play in support services and appropriate policies.

I hope that you will include, in your dialogue, discussions on appropriate policies on:

- International and national support for research and development;
- Investments in rural infrastructure, such as irrigation systems, flood control, farm-to-market roads and post-harvest facilities;
- Investments in irrigated or favorable riceland versus investments in less favorable areas for rice production;
- Intellectual property rights and seed production;
- Commercial fertilizer and chemical pesticide issues;
- Pricing policy that balances the interest of rice producers and consumers;
- Achieving efficiency and effectiveness to be competitive under the GATT, without neglecting the needs of resource-poor farmers;
- Removal of policy biases against agriculture.

These are all important policy issues that need your full attention, and I urge you to discuss these comprehensively and come up with policy recommendations.

### **International recognition for IRRI**

It is paradoxical that IRRI, although it has been operating in the Philippines for 35 years with privileges befitting those of an international organization granted by the Philippine Government, is not yet recognized as such in other countries.

I therefore look forward to that day in the near future when such broader international recognition will take place.

We support the move to grant IRRI international status and are working on the executive agreement embodying this.

In closing, I stress again the need for collaboration between international and national research centers, the need for continuing donor and National Government support for research on rice and other food crops, and the need for concerted efforts of scientists, Government policymakers and the private sector.

Without these, we cannot sustain a second Green Revolution for our food security in the next century.

At the same time, let us bear in mind that your deliberations here are only the beginning of a long process of new growth and production.

The rice you produce will still have to be cooked, as it were, and served to the people. As one of our favorite sayings suggests: "*Ang bigas man, kahit na magaling, ay isinasaing pa rin, bago ipakain.*" That is to say, "No matter how good the rice is, it still needs to be cooked to be eaten."

Produce the rice, and we will do the rest.

*Source:* **Presidential Museum and Library**

Ramos, F. V. (1996). *Our time has come : the goals we set ourselves to obtain for our people are now within our reach.* [Manila] : Friends of Steady Eddie.





**Speech of President Ramos on the enactment of bills on National Health Insurance, Senior Citizen's Day Center, and antisexual harassment**

**Speech  
of  
His Excellency Fidel V. Ramos  
President of the Philippines  
On the enactment of bills on National Health Insurance, Senior Citizen's Day Center, and antisexual harassment**

[Delivered in Malacañang, Manila, February 14, 1995]

**Onward  
reforms**

**with**

**social**

IN MY State of the Nation Address in July last year, I expressed the urgency of completing the foundations we needed for our growth through the modernization of our economy, our Government bureaucracy and our social order. I called on Congress to provide the momentum for our programs for progress through its speedy passage of some 36 specific laws which the executive branch had prioritized as urgent. I am happy to note that, after weeks of grueling sessions, Congress has passed many of the bills that form the core of our social reform agenda.

**The National Health Insurance Law**

The first of three bills approved into law today is the National Health Insurance Law, or R. A. 7875, which creates the Philippine Health Insurance Corporation to replace the Philippine Medical Care Commission (Medicare) and expands, in the process, the coverage of health insurance for our people.

R.A. 7875 is a landmark law—a major building block of social reform in that it transforms national health care into a more equitable and efficient system of delivering health services, especially for the poorest of our poor. Its reach will be felt not only by those who are formally employed but also by those in nonformal sectors such as farmers, fisherfolk, even sidewalk and wandering vendors.

This new law enhances the resources for health through an innovative health-care financing scheme and, most important, removes the barriers to health benefits caused by the rising costs of medical care.

Through the National Health Insurance Program, which the Philippine Health Insurance Corporation will administer, Filipinos will be provided with health-care insurance, which will enable them to avail themselves of health services in Government or private hospitals in times of need. The separate health insurance coverage of other agencies such as the Government Service Insurance System will be integrated and their funds combined into one to allow the portability of benefits for people in the Government and the private sectors.

To ease the needy of the burden of medical expenses is the ultimate goal of this law, which is also the main aim of effective social health insurance. With this law, we take a bold step toward empowering the poorer sectors of our society and upholding their basic human right to have a healthy life.

**Day care for the elderly**

Complementing our health care for the needy sectors is R.A. 7876, which provides for a Senior Citizens' Center in every city and town.

This law, an improvement of an earlier law, R. A. 7432, which provided for the optimization of the contribution of our elderly to nation building, will ensure that the elderly in every town or city will be cared for in appropriate centers under the Department of Social Welfare and Development. The centers will coordinate activities for older

people and give them training and work opportunities to ensure that our elderly, in the sunset of their years, will still find meaningful work and purpose in their lives.

Through these centers, we not only are able to optimize the productivity of all members of our society, but also affirm our commitment to the principle of a just and caring society.

I call on the Departments of Social Welfare and Development and of the Interior and Local Governments and all the other agencies for the elderly to prepare without delay the regulations for the expeditious implementation of this law.

### **Antisexual harassment**

Capping our efforts toward social reform, we have R.A. 7877 to protect our workers, especially the women, from sexual harassment in the workplace.

Although intended for both male and female victims of sexual harassment, R.A. 7877 has a decided bias for women—only because women make up the great majority of those who have suffered—and suffered silently—from work-related sexual harassment.

The passage of this law confirms our view that men and women are equally important members of the Filipino society and, therefore, that no discrimination will be allowed on the basis of gender.

Now that legal recourse is available to victims of sexual harassment, we have reduced their fear of being fired, penalized or ridiculed. They no longer need to suffer the unwanted advances of their superiors and coworkers nor the stigma of being ostracized for having been victims of such crimes.

We have advanced the basic rights of our workers through this law even as we also promote peace and productivity in the workplace. Now, armed with legal weapons for their protection against the sexual advances of amorous males in the workplace, women can concentrate better on the functional tasks they just perform to improve their productivity, grow professionally and increase their incomes and contributions to the nation's development.

That the Ninth Congress is determined to make a name for itself as the most prolific in the history of our legislature is confirmed by the quality and the quantity of its output. There will be, I am assured, more to follow.

On behalf of our countrymen and Government, I acknowledge with gratefulness the determination of our legislators to enact the bills agreed upon in our common executive-legislative agenda.

I am sure several more important bills will be approved in these last days of the current session. I am encouraged by the fact that we—the legislative and executive branches, with the help of the private sector—have done much to advance our social reform agenda and our program for sustainable growth.

It is important that the neediest sectors of our society be provided with equal access to opportunities for progress.

I especially commend the principal authors and coauthors, the sponsors and cosponsors, and the members of the bicameral committee for all their efforts to promote social reform and social equity.

*Source:* **Presidential Museum and Library**

Ramos, F. V. (1996). *Our time has come : the goals we set ourselves to obtain for our people are now within our reach*. [Manila] : Friends of Steady Eddie.

## **Speech of President Ramos at the Export Development Council Meeting**

### **Speech of His Excellency Fidel V. Ramos President of the Philippines At the Export Development Council Meeting**

[Delivered at Malacañang, Manila, February 14, 1995]

#### **Philippine on to the high seas**

#### **exports:**

AFTER ALL has been said and done today, I am beginning to believe that Sergio Ortiz-Luis Jr.'s pet, this "house lizard" in a community of economic dragons, has indeed begun to grow into a young dragon, not the crocodile we discussed at the September 1993 economic summit.

#### **Leaving the harbor**

If my reading of the situation that Trade Secretary Rizalino Navarro glowingly pictured before us is correct, our Philippine export ship indeed has left the harbor. It is now on the high seas, ready to advance in the face of storms, and prepared to haul in \$15 billion by October 1995.

Coming from the ship captain of the Export Development Council, this prediction would make Secretary Navarro's targets doable—and I hold him responsible for delivering on this prediction. But I have good reason for my faith. After all, he and our allies in the export community delivered last year.

Before my term ends, I trust that we will be earning more dollars from our exports than we pay for our imports. A trade surplus, not an \$8-billion trade deficit, should be the best indicator that we are on course toward becoming a newly industrializing country by the year 2000.

This morning's induction of top leaders of our export and domestic industries into the select Export Development Council, and the accreditation of Philexport as the Council's "first mate" in our export vessel, are the finishing touches in our effort to ensure our economic flagship's seaworthiness.

#### **The Export Development Act**

I am upbeat about our Export Development Act. This fulfills a commitment that the Ramos Government has made to the private sector.

As the new century approaches, many Filipinos have become aware of the realities we face in the international arena.

We now know that we cannot afford to stay out of the new world trading arrangements. The cost would be the kind of crippling isolation and stagnation that has kept our Philippine ship idle in port all these years.

Our only answer is: to venture out as boldly as we can—to expand beyond our shores and our traditional markets.

For our export crew, quality products and quality service will be the key. This means seeking continuous improvement in the quality of our merchandise, and greater efficiency and fidelity in fulfilling commitments to prospective buyers.

## **A balanced strategy**

We are committed to the principle of a market-led foreign-exchange regime. But we must also continue to take steps toward ensuring that the foreign-exchange environment is realistic in terms of consumer interests and reasonably competitive in terms of the interests of exporters.

This balanced strategy should ensure that our ship remains on an even keel while sailing forward even in rough seas.

I have just signed three orders related to the moderation of a fluctuating exchange rate under a "floating rate" policy. This is the first step in a calibrated program to keep our export products more competitive without hurting a major segment of the economy who are ordinary consumers.

## **Fiscal management**

This must also be accompanied by sound fiscal management. Budget Secretary Salvador Enriquez Jr. and Finance Secretary Roberto de Ocampo have demonstrated their determination to keep our public spending prudent without sacrificing the need to build or upgrade roads, power plants, ports and airports, telecommunication networks and irrigation systems, and providing health care and education to our people.

After repeatedly incurring huge deficits in the past, we registered a budget surplus last year. We are determined to keep it that way for the rest of my term and beyond.

I realize that if Government keeps on borrowing from the banks through Treasury bills, we will be denying private enterprise access to the capital which could be more profitably used to create new businesses and expand existing ones.

I also have no intention of driving interest rates back up to levels that could stop businessmen from borrowing from the banks to expand their operations.

## **A commitment to democracy**

I have said it before, and I say it again: The Ramos Administration is 100 percent behind an aggressive export drive as our best means of moving forward competitively.

I must impress upon you, however, that this policy must be guided by our commitment to a democratic philosophy of economic growth with social justice.

Having pledged myself to a free-market system under our uniquely Philippine democracy, I have always chosen consultation and consensus-building before making crucial decisions. I will not abandon that process now.

But once a decision is made—such as when I set out, at the beginning of my term, to dismantle cartels and monopolies—we must be firm in our resolve to stay on course, no matter how rough the sailing may be.

We have taken such steps precisely to improve the climate for business in our country, and to prepare us better for the future. Our economic programs and social reform agenda cannot be delinked one from the other.

We seek growth, yes, but growth with equity, growth that will have beneficial effects for the masses of our people.

With the Export Development Act, we have laid down the foundations for the emergence of a new democratic elite, the exporters. We have done so in the hope that we are not creating, in our midst, a new aristocracy to replace the old ones.

This Government will continue to support enlightened entrepreneurs, sensitive to the needs of our poorer countrymen, and willing to share the wealth businessmen will accumulate.

### **Our social reform agenda**

That sharing is far from being an automatic process.

Our social reform agenda, launched toward the end of last year, is premised on the practical consideration that sustainable economic growth, a surge in exports and the GNP, and the nursing of local industries into internationally competitive corporations do not automatically result in the conquest of poverty.

I do not believe in the “trickle-down” formula as the best approach to the sharing of increased national wealth. Sharing has to be programmed and focused in the same way that irrigation water has to be so channeled so that all farms, whether close to or far away from the main irrigation canal, get enough water to nourish their plants.

Money or wealth is like irrigation or potable water: It flows only to areas where access is built-in through canals or pipelines.

My Administration is putting these pipelines in place. We need to ensure that the wealth of this nation is not stored in a dam reserved for the use of only a few haciendas and exclusive villages. To energize the countryside and increase productivity, we have to channel that wealth to those who need it most.

### **Distributive justice**

That rechanneling I call people empowerment. Some call it “distributive justice.” But whatever be the label, it is the best deterrent to political instability, the best insurance against insurgency, and the best binder for our social cohesion. It is the right and the just response to conditions which, if unmitigated, could lead to renewed dissidence and increased criminality.

Let me take this occasion, then, to invite all of you to come on board and join the second phase of my Administration’s economic growth program.

Our social reform agenda, combined with my Government’s solid commitment to export development, should see us through to genuine and sustainable progress.

Exports must mean more than selling products abroad and earning dollars in the process. Every item we sell, every deal we transact, every trade mission we undertake, must mean another chance at a better life for all our countrymen.

Like the great explorers of old, those of you in the export sector have this rare privilege and opportunity to lead us into a voyage of discovery and conquest—not only for one’s own fame and fortune, but for the good of the nation as a whole.

*Source:* **Presidential Museum and Library**

Ramos, F. V. (1996). *Our time has come : the goals we set ourselves to obtain for our people are now within our reach*. [Manila] : Friends of Steady Eddie.

**NATIONAL GOVERNMENT PORTAL – EDITED AT THE OFFICE OF THE PRESIDENT OF THE  
PHILIPPINES UNDER COMMONWEALTH ACT NO. 638**

**Speech of President Ramos during the EDSA Revolution Commemoration and wreath-laying ceremony**

**Speech  
of  
His Excellency Fidel V. Ramos  
President of the Philippines  
During the EDSA Revolution Commemoration and wreath-laying ceremony**

[Delivered at the Libingan ng Mga Bayani, Fort Bonifacio, Makati, Metro Manila, February 22, 1995]

**Triumph  
and peace**

**of**

**freedom**

IT IS BUT FITTING that we signal the start of the four-day celebration of the EDSA anniversary here at the Libingan ng Mga Bayani—on this hallowed ground where heroes of many campaigns lie.

By doing so, we reiterate our gratitude to those brave men and women—heroes from 1896 to 1986, not a few of whom sleep on nameless graves—who willingly paid the ultimate price for the freedom, peace and dignity we enjoy.

Nine years ago, during those four shining days at EDSA, these aspirations burned furiously and bright in the hearts of the soldiers at Camp Crame and Camp Aguinaldo, the tens of thousands of Filipinos who occupied the streets in defiance of the tanks, and the millions of their countrymen who joined them in hope and prayers.

**National solidarity**

In the strong national solidarity that burst to the forefront, we redeemed during those four days all the sacrifices that heroes past rendered to provide us with a legacy of freedom, democracy and justice.

Indeed, we were united in will and resolve, but not merely to throw out an authoritarian regime that ran counter to this democratic legacy.

Our EDSA Revolution has a deeper meaning at its core. We were galvanized to direct action by the desire to establish a society that respects human dignity and individual liberties, to live in a land that is not torn apart by strifes and is at peace with itself, to have a representative government that is both effective and accountable, and to institute a dynamic and prosperous economy.

As we take stock of where we are today, we find that we have significantly advanced toward the goals we sought on those fateful days.

And so, we launch the celebration of the EDSA Revolution anniversary here at the Libingan ng Mga Bayani.

Because here on this resting place of our countrymen who served our nation with courage and selflessness also lie our moorings, the foundation of our strength and the starting point of our national strivings. Our peaceful uprising of February 1986 truly has its roots in this place.

**The quest for peace**

To me, that it was a bloodless one all the more attunes the EDSA Revolution to the message of peace eloquently conveyed from this sacred ground.

It may seem paradoxical, but it is the soldier who is first and foremost for peace. More than others, the soldier knows from firsthand experience the cruelties of war and its hardships—what it does, not only to combatants, but to families and ordinary civilians who are caught in its vortex.

As a former soldier who has been privileged to become President, so am I an ardent advocate of peace. I am truly gratified that our People Power Revolution in February 1986 inspired and touched off similar uprisings for peace and freedom in other parts of the world.

The EDSA Revolution has influenced us in our search for peaceful ways to resolve the conflicts that have exacted from -us a heavy toll of lives and suffering.

My Administration's efforts at reconciliation—highlighted by two sets of amnesty proclamations—have resulted in persuading thousands of our disaffected countrymen to cross over back to the mainstream of society to rejoin their families and once more become productive citizens.

We continue to pursue our initiatives to bring all rebel groups of various persuasions to the negotiating table, rather than engage them on the battlefield.

I see the forthcoming elections as another step toward attaining for ourselves greater peace and political stability and the perfection of Philippine democracy. Let us work together to ensure honest, orderly and peaceful elections (HOPE).

#### **Other challenges, new crusades**

We shall emerge stronger from this political exercise by solidifying the national consensus for development.

Nine years have passed since the EDSA Revolution of 1986, and we have gone on to face other challenges and embark on new crusades. But we shall never forget that proud moment of our history—the ideals of liberty, justice and peace it bannered shall remain our constant guide in all our undertakings.

Let us prove ourselves worthy of the sacrifices of our heroic forebears.

In this commemoration, let us pledge to work doubly hard to strengthen the unity we forged at EDSA. Let us move forward with even greater resolve to our destiny as a free and peace-loving people and a dignified, prosperous nation.

*Source:* **Presidential Museum and Library**

Ramos, F. V. (1996). *Our time has come : the goals we set ourselves to obtain for our people are now within our reach*. [Manila] : Friends of Steady Eddie.



## **Speech of President Ramos during the Signing of National and Local Bills**

### **Speech of His Excellency Fidel V. Ramos President of the Philippines During the Signing of National and Local Bills**

[Delivered in Malacañang, Manila, February 24, 1995]

**Laws  
the EDSA dream**

**to**

**realize**

IT IS SIGNIFICANT that in the four days preceding our commemoration of the EDSA revolution, we signed into law 26 bills of national importance and many local bills with national impact: they will hasten our achievement of a dream we all envisioned at the EDSA revolution, the dream of freedom, peace and prosperity.

As we witness the symbolic transformation of these bills into new laws, we renew our pledge to the Filipino people—whose freedom we fought for at EDSA—that we will continue to wage war against the injustice and oppression wrought by material and moral poverty, and to work for liberty, peace, justice and progress. This pledge we are fulfilling through the productive collaboration of the legislative and executive branches to pass and enforce the laws that ensure the preservation of our freedom, the protection of our democratic system, the continuity of our social reform agenda and the sustainability of our economic growth. All these will lead to the substantial reduction of poverty of family and nation.

#### **Social equity**

We find social justice in action in this law, which amends the Bases Conversion and Development Act of 1992 to provide for a more equitable allocation of the funds raised from the sale of Metro Manila's military camps. As provided by this new law, more sectoral programs will be supported in addition to the original beneficiaries of the 1992 law. The former bases that have been converted into special economic zones and free ports have proved themselves over the past two years to be capable of substantial self-reliance leading to further growth.

Under this new law, the allocation to the Bases Act for the conversion of Subic and Clark bases will be reduced from 50 percent to 27.5 percent. But the following sectors and programs will become new beneficiaries:

- a) The Armed Forces of the Philippines modernization program, whose share has been increased from 32.5 percent to 35 percent, and the Philippine National Police and the National Bureau of Investigation modernization and upgrading of prison facilities, which will receive a total share of 2 percent;
- b) The National Shelter Program, increased from 5 percent to 10 percent;
- c) The youth, through a 1 percent share for higher education, 2 percent for science and technology scholarships and the study-now-pay-later plan, as well as 0.5 percent for summer education and 2 percent for day-care centers;
- d) The elderly, through a 1 percent share for their program as well as a 2 percent allocation for war veterans.

#### **March toward sustainable economic growth**

Health insurance, infrastructure not covered by build-operate-transfer arrangements, judicial reforms, prosecution services, the Mount Pinatubo Fund and future special economic zones are the other beneficiaries of this amendment.

We also give justice to the so-called overstaying aliens who have been law-abiding and continue to play productive roles in society, by granting legal status to those who meet the law's minimum requirements. By legalizing their presence, we give them more freedom to engage in productive enterprises and strengthen, at the same time, our social cohesion.

We protect the gains of EDSA best by pursuing economic and social empowerment goals for our people. Thus a new law that extends the incentive measures for capital equipment brought in by enterprises registered under the Board of Investments is a most welcome albeit temporary measure.

With this, we provide added attractiveness to the Philippines as an investment destination.

In the post-GATT world trading order, it is crucial for us to sharpen our competitive edge as an international player. Any increase in investment translates into gainful employment and economic advancement for more Filipinos.

With this package of fiscal incentives as well as various other benefits already in place, we are better able to sustain the momentum of economic growth that we have achieved in the past three years.

### **Developing economic zones**

To further spur local and foreign investments in the country, we take new steps forward under a new law that creates the Philippine Economic Zone Authority. This will be tasked to identify and develop special economic zones—as agro-industrial, industrial, recreational, commercial, banking, investment, and/or financial centers—in strategic growth areas all over the land. Apart from Subic and Clark (which we consider ultraspecial), these areas are strategic not only in terms of material and manpower potential but also in their geographic relation to specific countries that have signified interest in investing in these areas.

We want to duplicate the success of these special economic zones that have already been established. In fact, we have approved the creation of two new sites: one in Zamboanga created by a law signed yesterday, and the second one, the Cagayan Special Economic Zone, which we sign into law today. The Cagayan zone targets the investor markets of Taiwan, Japan, Korea and Hong Kong, which have signified interest in establishing industries there. I felicitate the people of Cagayan Valley and urge them to boost Northern Luzon's growth by their teamwork and industry.

### **Other new laws**

Of value to our science and technology program is a new law that amends the 47-year-old Electrical Engineering Law. This new law is more responsive to the needs and technological capabilities of our electrical engineers by requiring only one instead of three written examinations, reducing the categories of electrical engineers from three to two, and exempting foreign engineers from local examinations and registration, subject to certain conditions.

I also congratulate the people of Eastern Visayas, who now have a new radio and TV broadcasting station to cater to their information and entertainment needs. The Sumoroy Broadcasting Corporation receives its franchise today.

I also felicitate the people of Camiguin Province for having received new opportunity for affordable college education with the creation of the Camiguin Polytechnic College.

I have never doubted that this Ninth Congress will surpass other Congresses in the quality and quantity of the bills it has produced. What has been a source of gratification and even amazement to me is the relatively smooth relationship between the executive and legislative, whose relations have traditionally been contentious. I thank the members of the House of Representatives and the Senate—for their speedy passage of laws crucial to solving urgent national problems.

I credit two equally important factors: the different but equally effective leadership styles of Speaker Jose de Venecia and Senate President Edgardo Angara, and the maturity and perceptiveness of this present crop of legislators, most of whom sacrifice personal or local interests when the national interest so demands.

*Source:* **Presidential Museum and Library**

Ramos, F. V. (1996). *Our time has come : the goals we set ourselves to obtain for our people are now within our reach*. [Manila] : Friends of Steady Eddie.

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PHILIPPINES UNDER COMMONWEALTH ACT NO. 638**

**Speech of President Ramos at the World Summit for Social Development**

**Speech  
of  
His Excellency Fidel V. Ramos  
President of the Philippines  
At the World Summit for Social Development**

[Delivered at the Bella Center, Copenhagen, Denmark, March 12, 1995]

**Social development and  
the dignity of humankind**

IN FEBRUARY 1986 the world witnessed in my country a nonviolent revolution unlike any other. It showed the world that change can be achieved with peace, and that change must come from the people.

Our “People Power” Revolution gave clear proof that the most potent force of any society is its people.

Barely five months ago, the Philippines played host to a conference of 54 Asia-Pacific ministers and high officials in preparation for this world summit. This conference adopted the Manila Declaration—a common agenda for action of social development for our part of the world, where three-fifths of humanity lives.

**Democratizing development**

The Asia-Pacific is now the world’s fastest growing region. Our concern is to ensure that growth achieves more than simply enriching the traditional elites.

We need to democratize development—to make Asia-Pacific prosperity truly meaningful, not just for a few but for the many.

I come here today to reaffirm my country’s and our region’s solidarity with the entire global community—in recognizing that the human being must be at the center of all our development efforts.

**Three priorities to guide our actions**

Your Majesties, Excellencies:

I come to this gathering to share with you a development agenda for peace for my nation.

In this effort we pursue the three priorities of poverty alleviation, job creation and social integration, the same “core issues” this summit is addressing.

We share the belief that Government must provide the policy environment and basic services that empower ordinary people to participate actively in the development processes at the very outset.

The agenda that we bring strengthens the role of civil society in designing, implementing and evaluating public policies. In so doing, we recognize that people empowerment is the best assurance of true democracy.

It is an agenda that recognizes equality of women and men, and assures the protection of women and children.

It is an agenda that seeks to protect the rights of workers, especially migrant workers who are among the best of my country's globally shared resources.

I welcome with great satisfaction the commitment of this summit to the promotion of the goal of full employment as a basic and urgent priority. I also fully support the provisions of the draft program of action for the promotion of the rights of migrant workers and their families, a recognition that is long overdue.

### **Political stability and economic reforms**

To ensure political stability—a vital prerequisite to sustained economic growth—we immediately and persistently pursued reconciliation with dissident groups. We forged closer collaboration with our Congress to ensure that crucial economic and social reforms are put in place.

We democratized our economy by dismantling monopolies and cartels injurious to the national interest. We brought down barriers to trade and investments that prevented our producers from attaining innate strength to face global competition.

Our fundamental economic and fiscal reforms are now paying off. Philippine GNP increased by more than 5 percent last year; inflation is down to 5.1 percent; and more than 700,000 new jobs were generated.

But all of the positive economic developments in our country will be meaningless unless the benefits of economic growth are shared by all.

### **Guaranteeing minimum basic needs**

This concern led us to draw up a Social Reform Agenda that guarantees for our basic sectors their minimum basic needs—food, shelter, health, productive assets and work. It is an agenda we drew up together with business and civil society, including the basic sectors—our farmers, fisherfolk, urban poor, the indigenous peoples, women, children, youth, persons with disabilities.

Through this agenda we shall ensure that programs, including those involving structural adjustments, will include social development goals of poverty eradication, employment generation and social integration.

This historic meeting affords us in both the developed and developing world the occasion to achieve agreement on the rights, resources and responsibilities that improving peoples' lives entails.

Underpinning our work is the recognition that all nations have a right to development.

Investing in people is not without cost. Although most of the resources will have to come from our own national budgets, many nations in the developing world will require supplementary resources from the more affluent among us. This includes reducing or canceling debts, whenever their servicing prevents governments from adequately meeting their people's basic needs.

We support and urge the wider implementation of the 20/20 formula. And we call on the rich nations to make good on their standing commitment to devote at least 0.7 percent of their GNP to official development assistance.

Having asserted our rights and laid claim to increased resources for social development, we must also highlight our responsibility to translate rhetoric into commitment, sympathy into policy, and compassion into action.

The Manila Declaration set for its 54 signatories clear deadlines for meeting social goals and targets. Meeting those deadlines requires coordinated and cooperative actions from all of us in the global community of nations.

### **Rooting out social instability**

Many issues still divide us in this summit. But I believe there is sufficient convergence to achieve cooperation and partnership among nations and between governments and civil society. We must work to make this convergence stronger.

After all, we owe it to our peoples to diminish if not eradicate the root causes of social instability in our society. We owe it to them to work at those measures that will bring about a just and lasting peace.

Our peoples aspire to a life where their options are not limited to mere survival, where the opportunities for human development are expanded so that they may choose their own future and control their own destiny. They dream of societies where justice, equal opportunities, their right to development, respect for human dignity, and prosperity reign supreme.

We owe it to them to undertake meaningful reforms, and to undertake them *now*.

*Source:* **Presidential Museum and Library**

Ramos, F. V. (1996). *Our time has come : the goals we set ourselves to obtain for our people are now within our reach*. [Manila] : Friends of Steady Eddie.

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**Address of President Ramos to the Royal Institute of International Affairs on the official visit to the United  
Kingdom of Great Britain and Northern Ireland**

**Address  
of  
His Excellency Fidel V. Ramos  
President of the Philippines  
To the Royal Institute of International Affairs on the Official Visit to the United Kingdom of Great Britain  
and Northern Ireland**

[Delivered at the Chatham House, London, England, March 14, 1995]

**East Asia's dilemma**

I FELT that if my visit with you is to be meaningful, I should speak on a topic—that I am sure is much in your thoughts—of which I have some current practical experience.

I refer to the debate about authoritarianism and democracy in East Asia.

That democracy and economic growth are incompatible in the poor countries has become widely accepted—particularly among those fortunate peoples who do not need to test the truth of this hypothesis in their own societies.

**East Asia arrives on the world stage**

And it is true that many of the East Asian countries—first Japan, then the four “little dragons” of Taiwan, South Korea, Singapore and Hong Kong and then also Thailand, Malaysia, Indonesia and China—have made varying degrees of authoritarianism pay off in terms of national capacity, higher living standards and international influence.

East Asia's explosive growth has now made it a center of world power—in economic and, potentially, in military terms. Thus it has attracted both interest and concern—particularly among thoughtful westerners like you who are here today.

What does East Asia's arrival at center-stage mean for the world? Will East Asia develop in a way different from that of the West? Is there an Asian mode of democracy?

And (as East Asians assert with increasing self-confidence) does the West really have anything to learn from the East?

Let me try some short answers to these questions before I elaborate on them.

My view is that East Asia's growth is unique not because it was largely organized, at the beginning, by authoritarian governments but because it gave ordinary people a stake in development.

To me, it is not the high growth rates the East Asian economies have attained which are impressive. What, to me, is outstanding about East Asian growth is the way it has motivated the masses of East Asians—by reducing mass poverty and generating pressures for political liberalization.

To the question: “Is there an Asian mode of democracy?” I would reply that all increasingly complex societies—of either East or West—are best ruled by conciliation and consensus—if society is to become both free and orderly under a rule of law.

Let me now elaborate on these thoughts, so you can judge their soundness.

### **Authoritarianism on East Asia**

It has been fashionable, in recent times, to distinguish between democratic and authoritarian governments in terms of how well they provide political rights and economic development for their peoples.

Democratic countries, it is said, may guarantee their peoples political liberty and civil rights—but these rights lead only to undisciplined and disorderly behavior harmful to economic development.

By contrast, those countries that value social discipline more than democracy have produced East Asia’s tiger economies—and new growth models for the whole developing world.

This argument oversimplifies complex reality. Historically, the authoritarian regimes that have succeeded in modernizing their societies have been the exception—and not the rule—among the many countries.

In many parts of Latin America, Africa and even in Asia—including the Philippines under the strongman Ferdinand Marcos in the 1970s—authoritarianism merely aggravated the weaknesses of the State—and worsened economic stagnation.

In much of East Asia, authoritarian rule has worked differently—for several reasons. There, in the aftermath of the Pacific War, nationalist elites came to power facing various crises of survival.

### **How East Asian authoritarianism is different**

But while the growth rates achieved by the East Asian tiger-economies are impressive, they are not unique. For instance, Brazil did just as well—if not better—and for as sustained a period.

Between 1932 and 1979—for fully 47 years—Brazil’s GNP grew, on average by 6.3 percent a year. After a generals’ coup in 1964, it ranged as high as 11-12 percent for ten successive years.

Yet, in 1986, two-thirds of the 135 million Brazilians still ate less than the minimum daily calories set by the country’s own nutritionists; and one-third of all Brazilian workers still earned less than the country’s minimum wage of 60 US dollars a month.

No—it is not high growth in itself that has been unique about East Asian development.

What is unique about East Asian growth is the way it gave ordinary people a stake in development.

How was this arranged? In almost every country the period of intense growth was preceded by some social leveling—typically by the breaking-up of traditional oligarchies through land reform, and radical improvements in the delivery of social services like health care and basic education.

Good health, an adequate education and significant investments in human resources prepared ordinary East Asians to grasp the opportunities that economic growth offered to lift themselves up.

Brazil’s protectionist approach to development confined the benefits of growth to an oligarchic elite. By contrast, East Asia’s growth spread sufficiently for the middle class to diversify into new and profitable interests. And as



these new interests—among entrepreneurs, manufacturers, exporters, industrial workers, small farmers, professionals and students—asserted themselves, they created their own political space and economic opportunities.

As a result, high GNP growth in East Asia not only reduced mass poverty but also generated popular pressures for democracy.

Let me now sketch the political situation in my country.

### **Democracy in the Philippines**

Our trials in the Philippines—which, as you know, included a spell of strongman rule from late 1972 until early 1986—have persuaded us to modernize the “hard way”—accepting restraints and handicaps other East Asian governments did not care to confront.

In a way, we Filipinos have no choice but to try and modernize within a democratic, constitutional framework. History has shaped our political culture in such a way that ensures authoritarianism will not so easily work for us.

This background tells us why modern Philippine governments have no choice but to develop by conciliation and consensus. We accept that democracy may not provide the fast shortcut to growth. But it does ensure that the economic, political and social institutions we build are strong and enduring.

### **Not yet Westminster—but we are getting there**

Our kind of democracy may still be miles and years away from Westminster's. But our political system already passes what Karl Popper calls the “bottom-line” test for democracy. Through the popular vote, we can change our ruler by peaceful means without recourse to violence and bloodshed.

In the past, we in the Philippines were left behind East Asia's growth because we mistakenly tried to protect our industries from foreign competition.

We mistakenly equated political nationalism with economic self-sufficiency.

Now we recognize we must join the competitive, free-trade regime of the global economy. We realize we must take part in the vigorous life of the Asia-Pacific community.

We started by removing the barriers—erected over these last 40 years—against foreign investment. And we are leveling the playing field of enterprise, by dismantling cartels and monopolies—in telecommunications, air transport, interisland shipping, insurance, cement—that had dominated the closed economy.

Recently we opened up the banking sector—which had been closed since 1948 to foreign investment. As a consequence, the German Deutsche Bank and the Dutch ING Bank have both come in from Europe. The Chartered Bank and the Hongkong-Shanghai Bank (associated with the U.K.) have been with us since before World War II.

Our reforms are taking hold because they are the fruit of a new spirit of cooperation between the presidency and the legislature. My Administration partly recently entered into a European-style coalition with the main opposition grouping.

Social reform we have made the centerpiece of Government's agenda—so that we can pull out the root causes of our dissidence and political instability.

We are also increasing our capacity to defend ourselves—by modernizing our armed forces, and by internalizing value formation and professionalism within the officer corps.

Our most urgent task is to raise the political capacity of the Philippine State—to increase the legitimacy and effectiveness of State institutions; set them free from the dominance of interest groups and enable them to act in pursuit of the common good.

Historically, the Philippine State has been weaker than the oligarchies that have preyed on it—oligarchies that have used their privileged access to the bureaucracy to accumulate great fortunes and tremendous political power.

### **People empowerment**

In a word, we see our salvation not in curtailing our democracy but in broadening it. And this is what we are trying to do through our program of “people empowerment.”

People empowerment to us means devolving political authority from the center to local governments—removing the tangle of laws, taxes and regulations administered at the national level, which restrains regions and localities from developing on their own. It means awarding control over local resources to local communities and nurturing local people’s organizations.

It also means empowering ordinary people—enabling them to have a say in how they are to be governed—and instilling into our elite a higher sense of their social responsibility.

We aspire to a kind of people-based capitalism that not only emphasizes efficiency and individual creativeness but also cares for those whom development leaves behind.

We seek a way of placing individual initiative—the necessary driving force of progress—within a shaping moral order; within a community based on compassion, civic responsibility and social harmony.

We also believe equality cannot wait until after the economic pie has grown much bigger—because gross inequality by itself enables the powerful few to override the interests of the powerless majority in the making of public policy.

Only with a decent minimum of food, clothing, shelter, health care and schooling can the Filipino poor lift themselves up to grasp the “equality of opportunity” and “equality of treatment under the law” that the Philippine State guarantees in theory.

### **A summing up of East and West**

Let me now sum up my thesis here today.

In many ways, we might say the Philippines is closer to Europe—politically and culturally—than the other East Asian countries.

Spanish rule—beginning in 1571—has made us East Asia’s only Christian nation. Our revolutionary movement of 1896 was inspired by Europe’s enlightened regime—whose libertarian ideals our student-exiles brought home from Europe in the late nineteenth century. Our national hero, Jose Rizal, researched our early history and wrote revolutionary literature at the British Museum.

And from the Americans—who ruled us from 1902 until 1946, we received our grounding in mass-education and in electoral politics.

This diversified background has enabled us to adapt more easily to the modernizing influences from the West. But, like every other East Asian society, we still aspire to change and develop in harmony with our historical background and our cultural values.

Like every other East Asian society, we believe tradition and modernity do not necessarily contradict each other. There are continuities—no less than ruptures—in every society undergoing social change.

Will East Asian democracy, then, be different from that of the West's?

In substance, it should not: all complex societies are best ruled consensually. Then, also, the technologies that define a historical period affect social organizations—whether Eastern or Western—in the same way.

Look, for instance, at how the new communications technology—of fax machines, direct-dial telephones, Internets and portable satellite discs—have circumscribed the power of governments to control their peoples' access to the outside world.

Having the advantage of hindsight, we in East Asia are rightly concerned—for instance—with how to preserve our strong family ties—seeing the collapse of Western family structures as the symptom and cause of much of what has gone wrong with Western societies.

### **A new spirit in the world**

It is said that there are many roads to democracy. In the West as well as in the East, countries are democratic to the extent that their governments rule by conciliation and consensus.

To me, what really matters most in the relationships between Europe and Asia is that we keep down the mistrust, the misplaced fears, the all-too-human tendency to preach and to judge, which has characterized the encounters between peoples of different cultures.

Fortunately there is a new spirit rising in the world, which recognizes a new community of purpose among nations—in keeping the peace so that unhampered trade can bring about mutual prosperity. And, in disputes between nations, this new spirit gives those in the right a kind of moral strength superior to the old armed might of the Cold War period. Indeed, right makes might!

Many elements, all mutually reinforcing, thus bind us and our peoples together—our culture, our histories, the values we hold in common, and the new opportunities that our two countries and our two regions now offer to us.

It is for us to build on these foundations a new relationship that will, in concrete terms, benefit us all.

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**Address of President Ramos during the Celebration of Labor Day**

**Address  
of  
His Excellency Fidel V. Ramos  
President of the Philippines  
During the Celebration of Labor Day**

[Delivered in Malacañang, Manila, May 1, 1995]

**A better day  
for all workers**

THIS IS THE THIRD Labor Day I am celebrating with you.

When I took office on June 30, 1992, GNP growth stood at .48 percent, unemployment was at 10.7 percent and underemployment at 22.1 percent. The crippling power crisis had arrested industrial growth and caused layoffs. Incomes were at a low, and the inflation rate of 18.66 percent had hit hard at the purchasing power of workers.

**Are we on track?**

When we marked our first Labor Day together at the Ninoy Aquino Stadium on May 1, 1993, I told you then my goals in labor and employment:

*Mga kapatid, sa dulo ng aking tenure of office sa 1998, ang aking hinahangad ay magkaroon ng per capita income of at least \$1,000. The incidence of poverty by that time should have gone down from more than 50 percent to 30 percent. The economy should have grown by an average of 7.6 percent. Investments should have risen from 22 percent of gross national product to 30 percent. Unemployment should have gone down from 10.3 percent to 6.6 percent.*

By June 30 this year, we will stand exactly halfway through my term. So it is fair to ask ourselves today whether we are on track in meeting our goals—or should we be preparing excuses for failure to meet our targets?

Today, I believe we can say—to each other and to the world—we are on track and we are on schedule.

Indeed, there are some foreign analysts—for instance, Credit Lyonnais—who believe we have already surpassed our per capita income target of \$1,000.

As for the other targets, the unemployment rate is down to 8.8 percent this year. And we have had two strong years of accelerating growth.

To be sure, we have not yet found a lasting answer to mass poverty. And we have a long way to go to achieve full modernization.

But after nearly three years of reform and rebuilding, we can already glimpse the future on the horizon. By the time we mark the first centennial of our republic in 1998, I say to you the Philippines will be one of the most dynamic economies in Asia—and anyone who wants to work—in this country, not abroad—will have a job and be paid a living wage.

This is not just rhetoric to decorate this celebration of Labor Day. This is what our efforts these past few years are inexorably leading to.

### **Reviewing the record**

There is no need to recite here the familiar statistics underpinning our economic turnaround. What matters is what this turnaround has meant for our working people, for our unions and for those who enter the labor force every year.

It can be stated simply: More of our people are working today than at any time in our history. And they are employed more and more in quality jobs.

As of January 1995, our labor force stood at 27.5 million—up by 1.9 percent from a year ago. Of this, 25.1 million were employed.

There were 521,000 new entrants in the workforce. Job generation produced 427,000 new jobs.

One reason for the rise in unemployment was a drop in agricultural employment as a result of a change in the weather pattern. Less labor was required during late 1994 and early 1995 because the second harvest was advanced due to the early rains.

Most significant about the new labor and employment figures is the way the economy is changing. Since January last year, 1.2 million wage and salary positions were filled in place of self-employed and unpaid family work. The labor market share of these protected workers increased by 3.9 percent.

Similarly, the underemployment rate plunged from 23 percent a year ago to 18.6 percent this year—the lowest since 1987.

### **Progress through democracy**

The biggest gainer among the sectors has been manufacturing, which grew by 24.2 percent. New jobs in manufacturing rose to 165,000 in January 1995, compared to 25,000 a year earlier, or a rise of 560 percent.

Among the top 400 manufacturing firms, average worker compensation grew by 14.3 percent.

We have not won these gains through sheer good luck. As working men like to say, the fight for jobs and growth is won only by good old-fashioned hard work.

We have introduced major structural reforms—bringing down monopolists and cartelists in the process. We have gotten all the sectors to support a common economic policy. And we have finally experienced what it is like to do business on a level playing field.

Today, our prospects are better because we have shown our political will for change and reform. We know now we can sustain growth, create new jobs for our unemployed and new labor entrants, and attract foreign investments and trade.

This is not just our verdict, this is also the way foreign observers see our country today. And they include the biggest investment bankers like Salomon Brothers and Merrill Lynch.

*Forbes Magazine* went even further. It declared: “The economic reforms brought to much of Southeast Asia by authoritarian regimes have come to the Philippines via democracy.”

The praise is well deserved, because we have sacrificed much to regain and keep our democracy. But our work has only begun. There are still millions without work or not enough work in our country.

We do not forget that more than four million of our countrymen are working abroad today—some in conditions of virtual servitude.

The names of Flor Contemplacion and Delia Maga reverberate in our minds because they symbolize our people's ardent desire to work, and society's failure to fill that need.

Now more than ever, the plight of our overseas workers—documented and undocumented—must be Government's abiding concern.

### **Sustaining gains, moving onward**

Neither do we forget that many of our workers belong to the informal sectors. They include food vendors, homeworkers, domestic help, street hawkers and tricycle drivers, who work with hardly any support or social protection.

Today, I pledge to you that my Administration—over the remainder of its term—will strive to bring every Filipino worker within the ambit of our labor laws, our support system and our development program.

Whenever I look at the global economy, I ask myself: In what area can we be immediately competitive with other countries?

Clearly it is not resources. Nor is it technology or capital.

People alone constitute our competitive edge in the world today. Thus, without forgetting the other vital factors in economic development, we must focus attention on building a world-class workforce.

### **A world-class workforce**

Under our Medium-term Development Plan for 1993-98, the economy is undergoing a structural transformation from an agri-based and service-oriented economy to an industrial one. Consequently, there will be a greater demand for skilled workers, technicians, and science and engineering graduates.

We must therefore move to train this early, to include our unskilled overseas workers and informal workers.

Through our manpower development program, we are putting in place a solid social infrastructure for education and training to support our development goals.

Today, the Philippine educational system consists of a three-layered structure designed to develop our human resources most effectively.

At the apex of this structure is the Commission on Higher Education, which oversees tertiary education. At its base is the Department of Basic Education, which oversees primary and secondary education.

### **Skills upgrading is a sound investment**

The middle layer of this structure is the most relevant to our global needs. It is the Technical Education and Skills Development Authority (TESDA), created through Republic Act 7796. A multisectoral and tripartite body, TESDA has the responsibility of planning, setting standards and allocating resources for technical, vocational and skills development.

If workers are to achieve a sense of security in times of change, they must be given the opportunity to renew or upgrade their skills. Skills acquisition and upgrading is not only a sound investment. It is a form of empowerment.

I got an idea of what kind of empowerment meant when I attended the recent National Skills Olympics in Cebu recently. One of the winners surprised us all. I understand she is here today.

Her name is Nenia Escueta—and she won in the welding competition.

The legislature is one key actor in creating the conditions for a globally competitive workforce. Already, the stress on human resource development and protection has produced laws covering all subsectors of the workforce, including would-be workers.

Recent labor laws include:

- Increasing the minimum wage for household help;
- Giving representation to women in the Social Security System. This is affirmative action for gender equality;
- Setting in place a comprehensive and integrated shelter and urban development program; and
- Declaring sexual harassment unlawful in the employment, education or training environment.

I know that organized labor tends to look at these measures in monetary or wage terms. Yet better working standards should be measured not only in increased wages but also in terms of access to other social goods and benefits.

We are now reviewing the Labor Code. As a complement to our manpower development strategy, we must evolve new models to govern employee-employer relations and balance social protection, employment generation, collective rights and the imperative of sustained development.

### **Overseas employment**

Among others, we seek 1) the passage of a law on workers' welfare and protection, particularly the regulation of subcontracting and limitations of the hiring of nonregulars; and 2) the strict and effective enforcement of labor standards, particularly minimum wages and Social Security benefits.

Social protection must not be seen as extending only to local workers. It must include our overseas workers, who are in certain instances the most vulnerable.

It is right that Congress should convene in special session to deliberate on a Magna Carta for overseas workers. The forthcoming deliberations will be a good occasion to address matters of policy and fact about the status of our overseas workers.

People forget that it is not the policy of my Administration to export our workers to foreign lands. That may have been the policy of earlier administrations, because of conditions prevailing then.

Today, our utmost desire is to keep more workers here at home—primarily because the jobs to fit their skills are already emerging. And we would like nothing better than to stop the movement of illegal workers, who are the most vulnerable to abuse abroad because of the insecure conditions of their employment.

But this issue is dictated by market forces, and we are a free society. A significant number of those who go abroad usually have jobs here or can find one if they want to; their basic motive for leaving is to find better paying jobs.

### **Selective deployment our best policy**

The challenge then to Government today is one of managing labor migration. Overseas employment is not a Government program; it is a fact. Filipino workers now form part of an internationally shared pool of human resources, from which workers move across states by the rules of the free market and fair opportunity.

A ban will not work, even if Church and State join in decreeing and enforcing it. We must take instruction from the sobering fact that after we decreed a ban on the deployment of domestic help in Singapore, 50 such help migrated daily and illegally to the city-state.

Our best policy is selective deployment—trying as best we can to respect our workers' freedom to work abroad, and helping them to find employment in the most humane work environments and in the better paying jobs.

Today, this policy is already working to stem the tide of migration—as in the case of entertainers—and to move our workers into more hospitable work environments, as in the case of our domestic help.

Meanwhile, as we move to improve the pattern of migration, we must now move speedily to document all Filipino workers abroad. Government accepts the responsibility of looking after our countrymen, regardless of status. But we cannot help them unless we know where they are and who they are.

### **Reaching out to protect our overseas workers**

We will strive to bring everyone within the ambit of Government's protection by mobilizing our personnel for the purpose. For this reason, I endorse the Department of Labor and Employment's proposal to Congress that our overseas workers be required to register with our embassies and consulates on reaching their job destinations.

In addition, we will carry out these other measures:

First, wherever possible, we will strive to write bilateral agreements or arrangements with host countries concerning overseas workers. Three agreements are now under negotiation with Taiwan, South Korea and Qatar, some of which will include skills upgrading, technology transfer and entrepreneurial development.

Second, we will field 86 additional employees from the Departments of Foreign Affairs and of Labor and Employment to improve the ratio between Government service people and overseas workers.

And finally, we will expand our program of reintegration, which will help returning workers reenter our labor force through training, job assistance and livelihood generation.

### **Unions serve workers' rights and welfare**

When we reflect on the plight of our workers, we cannot escape the conclusion that their rights and their welfare are better served when they are organized.

Today, we focus much attention on institution and capability-building among trade unions and other forms of workers' organizations.

Last year, we launched the Workers' Organization and Development Program (WODP) to encourage entrepreneurship among workers' organizations and provide them with relevant technical skills and assistance. P127 million was initially budgeted for the program. Of this, P60 million went to the unions, and P47 million to other types of workers' organizations. P3 million has also been released to the Pambansang Tapag-ugnay ng Manggagawa sa Bahay to promote self-employment directly benefiting 1,500 workers and their families.

The WODP represents the Government's commitment to promote unionism. For 1995 a P133-million fund for grants and loans has been earmarked for the program.



## **The right to self-organization**

In all this, I hope I have made it plain that my Administration is committed to promoting the right to self-organization, particularly the right to join unions. I am told that some Local Government officials, particularly in the export-processing zones, have adopted a no-union policy in their areas—in the name of industrial stability and stable development.

This is contrary to constitutional law and public policy. And we will not tolerate this practice. The right to self-organization is enshrined in our Constitution, and no one may circumvent or suspend it—for whatever purpose.

As we take our place in the global economy, we do not intend to be known for a cheap labor policy. Our competitiveness lies rather in the skills of our workers.

Considering the adjustments we must continually make in response to the regime of the GATT-World Trade Organization, workers should more than ever be aware of issues governing economic development and be sensitive to the means for sustaining it. Workers must therefore participate in tripartite councils to reduce disputes and minimize the disruptive consequences of rapid change.

## **Adjustment measures**

For instance, while the climate of industrial peace has greatly improved, I note with concern the increase of strikes in the garments and textile industry. I hope the Textile and Garments Industry Tripartite Council, headed by our top employers and labor leaders, can work speedily to solve the situation. I know that the strikes are partly or wholly related to GATT.

We have lined up adjustment measures to assist those who will be negatively affected by GATT. The P500-million fund is to be used for retraining, training, and livelihood and income augmentation activities—so that those most affected by trade liberalization can adjust. We have authorized the initial release of P200 million.

Outside of labor anxiety related to GATT, gains in labor relations have been sustained during the last three years. The incidence of work stoppages declined further by 24 percent in 1994.

For the first quarter of 1995, the rate of disputes prevention was 82 percent. On the other hand, the rate of disputes settlement was 92 percent. The Department of Labor and Employment awarded an estimated P2.7 billion in workers' benefits arising from collective bargaining.

The downtrend in strikes and lockouts continues. In 1994 strikes were down to 93, compared with 122 in 1993.

There is a growing acceptance of voluntary arbitration for settling labor disputes. In 1993, 353 cases were coursed through voluntary arbitration; this increased to 430 in 1994.

No Labor Day would be complete without acknowledging the role of my fellow workers in the public sector. In the past three years, we have been trying to reinvent and energize the bureaucracy in order to make it responsive to the dizzying pace of private-sector activities.

Unlike workers in the private sector, our workers in Government have fixed rights. And although the number of unions in the public sector has been increasing, their organizational rights are limited.

I expect that in the next Congress, the proposed Public Sector Code will be a priority agenda—to give our hardworking Government servants a degree of empowerment that is on a par with the private sector.

## **Employment strategy**

Finally, I want to announce this Labor Day that your Government will launch this year a new study of a comprehensive employment strategy for the Philippines.

Changes in the global economy and changes in the country compel this fresh look at the economy and the people it is designed to serve.

I believe that we must devise a comprehensive and clear-minded program for full employment—which will guarantee adequate wages to all those willing and able to work. The growth strategy that will make this possible must be clearly outlined, so that we do not fall into the trap of contradictory policies and projects.

The new study will replace the Ranis Report of 1974, which took a long look at the employment situation and recommended policies to promote “employment, equity and growth.”

The recommendations of the Ranis Report were halfheartedly carried out, so it failed to have a lasting effect on the economy and unemployment. Today, with the economy stronger and more stable, perhaps we can strike a stronger blow for labor and employment.

When completed at the end of the year, the study will be discussed at an employment summit early next year, to which all the sectors will be invited.

Devising such a strategy now is vital to poverty alleviation, improving labor efficiency, and to making our country more competitive in the global economy.

### **A force in the global economy**

My fellow workers, we have taken off from economic stagnation. But we have taken up an even greater challenge—one of sustaining and accelerating growth in our country.

In the hands of labor, management and Government lies the collective responsibility of maintaining our momentum. Quarreling among us will not increase the economic pie to be divided. By working together and pursuing common goals, however, we can modernize our country and we will matter in the global economy.

Labor’s role—our people’s role—is a great one in this effort. So let it be your pledge today—as it is the pledge of your Government and should be the pledge of management—to make this Filipino dream happen within our lifetime.

*Source:* **Presidential Museum and Library**

Ramos, F. V. (1996). *Our time has come : the goals we set ourselves to obtain for our people are now within our reach*. [Manila] : Friends of Steady Eddie.

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**Speech of President Ramos during the President's Night with the Manila Overseas Press Club**

**Speech  
of  
His Excellency Fidel V. Ramos  
President of the Philippines  
During the President's Night with the Manila Overseas Press Club**

[Delivered at the Manila Hotel, May 11, 1995]

**A strong vote  
to win the future**

I COMMEND the Manila Overseas Press Club and your energetic president, Pepe Rodriguez, for your timing of this year's President's Night for today—three days after the May 8 elections. You have virtually dictated my topic for me—last Monday's elections and their meaning for the Ramos Administration and the nation.

Clausewitz speaks of the “fog of war”—which in the current time frame may also be called the “fog of politics.” But one of your members told me that if we wait too long for the fog to clear before talking about the elections, what you of the press would be writing would not be journalism, but history.

**Unofficial election results**

The senatorial election results, which are still largely incomplete (about 40 percent only of the votes have been locally counted and canvassed), are mirrored in the House and local elections.

Out of 204 seats being contested in the House of Representatives, the coalition has won or is leading in about 180 seats, or about 89 percent. (Of these, LAKAS by itself accounts for some 129 seats.)

Out of the 76 governorships being contested, around 65, or 85 percent, appear to have been won by the coalition. (Of these LAKAS alone accounts for about 54 seats.)

Out of the 74 city and Metropolitan Manila mayoral seats contested, the coalition has won or is substantially leading in around 62 seats, or around 83 percent of the positions contested. (Of these, LAKAS alone accounts for about 50 seats.)

Finally in the race for mayor in 1,530 municipalities, we foresee the coalition winning 80-85 percent of the seats.

A virtually every level of the balloting—from national to town level—the Administration party and its coalition partners have increased the number of seats they occupied before the May 8 elections.

It would appear therefore that the LAKAS and its coalition partners have carried the day of the polls and the Ramos Presidency has received a new and broader mandate from our people. This is a clear signal to go ahead full steam with our reform and development program for the country.

**Vindication of democracy and Philippines 2000**

Naturally, I could not be more pleased by this popular endorsement of my Administration. But I must say that I am just as happy with the credibility and relatively orderly conduct of the elections—and the growing political maturity of our electorate that these qualities imply.

The electoral process is the bedrock of the democratic system. Our democracy may still be miles away from the ideal, but we continue to correct its shortcomings. And it passes what Karl Popper has called the “bottom-line” test for democracy—that through the popular vote, we can change our rulers without recourse to violence and bloodshed.

In saying this, I do not gloss over the fact that some 50 of our countrymen have died in election-related and terrorist-connected incidents since Sunday alone. These instances of violence are deplorable and tragic. Even so, let us note that they have not caused a failure of election—even in those localities where violence occurred, except for Talipao, Sulu.

In certain places like Cavite—where in 1992 much political violence occurred—the balloting this time was peaceful, and has produced a peaceful change of leadership. This is a significant advance for our democracy.

Of all the positive things now being said by the foreign media and foreign observers about the Philippines today, nothing makes me prouder than their recognition that we Filipinos are proving today that democracy can make development happen. We remember well how we were called “the failed showcase of democracy in Asia,” and were unceremoniously used by some Asian leaders as the illustration that “democracy is detrimental to development.”

*Time* magazine in its current issue pays us the generous compliment that we are “rewriting the book on Asian economic development.”

### **Effective change in a democracy**

Our achievements may not yet approximate what our more prosperous Asia-Pacific neighbors have done; but there is no question about the correctness of the route we are taking and the gains we have made. We have chosen to develop by creative patience, creative determination and creative consensus-building—accepting that although these may be a slower process, they would also ensure that the economic and social programs and institutions we build are more enduring, more dependable and more productive.

For two years now we have made major reforms and speeded up growth through democratic consensus and political will. Our business community and managerial and labor force are emerging as more competitive players in an environment of free-market reforms and democratic space. And Government is improving in the delivery of basic public services—though there is still great room for improvement.

In rejecting elections, one of the few remaining Communist leaders once said: “Do any of you believe that we can solve our country’s problems in five years? That is why we do not have this nonsense of elections.”

Another saying applies to some observers of the Philippine scene—the cynics, nonbelievers, doomsayers and do-nothings—“He who watches the clouds will never plant, and he who waits for the wind will never reap.”

Yet I submit that in less than three years, we have already changed the very face of our country—not only resolving many chronic problems but energizing the drive toward development. And this would not have happened without our dramatic turn toward democracy in February 1986 by way of our People Power Revolution.

The new mandate given by our people in last Monday’s elections will enable us to take our reform and development program one crucial stage further.

By June 30 this year, I shall be completing the first half—the first three years—of my watch. During this earlier period, the stress was on macroeconomic reforms to open up the economy and level the field for market

competition. We have taken Government off the back of business, and focused its attention on building public works and upgrading our social capital. In this way, investments have poured into the economy and the latent dynamism of Filipino industry has been unleashed.

### **The second stage of reform**

As I enter the final three years of my Presidency, the country faces what development economists call “the second stage of reform.” This is the compelling need to improve the capacity and performance of government in the development process. We must upgrade the organization, operations and finances of the public sector so that Government can do its essential tasks more effectively. This is why I shall be asking the Tenth Congress to put our human resource development programs and tax and tariff reforms at the top of its agenda when it meets in late July.

Government must deliver the basic public services and build the infrastructure so necessary to development. And it must effectively intervene for the benefit of those segments of our population who are the poorest of the poor.

Even as we endeavor to raise State capacity, we must continue to spur private investments in the economy, encourage exports and productivity and enhance our competitive advantage in terms of a more capable labor force.

Only through efficiency built into both the public and private sectors can the economy and the country take off into real modernization. Only then can we truly be as productive and competitive as our neighbors in Asia.

### **Everybody wins**

We can now embark on this road to reform because of the resounding affirmative vote for our future directions expressed in the recent elections. Our people have seen what progress we have made these past three years—and they want to do more on a sustainable basis.

Finally, I hope that the Administration coalition and the political opposition can work together more closely in the days, months and years to come.

Democratic elections are never a winner-take-all affair. The opposition is vital to the making of policy, and its review of performance is part of a formula where everyone wins something. Although some things still divide us, let us not forget that many more concerns unite us—not the least our common desire to see this country prosper and its people to live in peace.

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**Speech of President Ramos at the Joint Foreign Chamber's Luncheon Meeting for the "1995 European Business Week"**

**Speech  
of  
His Excellency Fidel V. Ramos  
President of the Philippines  
At the Joint Foreign Chamber's Luncheon Meeting for the "1995 European Business Week"**

[Delivered at the Manila Peninsula Hotel, Makati, May 22, 1995]

**Beneficial partners**

I COMMEND the European Chamber of Commerce of the Philippines for organizing this European Business Week to highlight the growing beneficial partnership between Europe and the Philippines.

During my visits to Europe in September 1994 and March 1995, I sensed the growing interest and confidence of European businessmen in the Philippines. We together made a lot of progress during those visits in forging alliances with European business organizations. Building our partnership must continue.

**Two salutary developments**

European Business Week constitutes an important part of this process. I entertain hopes that two salutary developments will result from this program:

First, it will help speed up the process of building strategic alliances between European and Philippine companies.

And second, it will encourage European companies to develop production bases in the Philippines in order to better supply the rest of Asia.

During my two visits to Europe, we outlined and presented the business opportunities for European industry in our country. We signed a substantial number of contracts and memoranda of agreements between European and Philippine companies. These letters of intent, we trust, will soon be transformed into business.

We perfectly understand that investors weigh risks and rewards.

But European business must also understand that the Philippines offers business opportunities to Filipino and foreign businessmen in general. So investors from Europe should not take too long to decide; others may move faster.

I say to you—go! go! go! go for it!—the best is yet to come.

The European Union, with its 15 member states, 370 million citizens, and \$5.8-trillion gross national product, is the largest single economic unit in the world. It is also the largest single importer in the world and is the Philippines' second-largest export market.

Since the mid-1980s the Philippines has also benefited from a modest but consistent trade surplus with the European Union. While good progress in trade flows has been made with the Union in recent years, the level of Philippine trade flows with Europe is still well below that enjoyed by other countries in ASEAN.

### **Emerging market**

I also recognize the efforts undertaken by the European Commission to develop the European Union strategy toward Asia, including the Philippines. This strategy will help persuade European companies to focus on Asia-Pacific.

I am glad to see the other foreign chambers, the American Chamber, the Australia-New Zealand Chamber, the Canadian Chamber and the Japanese Chamber participating in this event also.

When I last addressed the foreign chambers about a year ago, there was some concern about the Philippines as an emerging market. So I reminded you then that emerging markets are not all alike.

Look beyond your fears. The way your own companies performed last year and your plans for 1995 and beyond are themselves a barometer of an enhanced Philippine condition.

Not only has calm been restored, there has been a surge of positive news about the Philippines.

At the same time, we are coming out of our national and local by-elections, in which we have proven both the continued stability of our democracy and the support of the large majority of our people for the Ramos Administration.

This makes certain that we have the mandate to press on with our reform and development programs.

### **Infrastructure for development**

The National Economic and Development Authority reported last week that we have met our growth targets during the first quarter of the year. We will ensure that we meet the growth targets for the rest of 1995.

Sustained growth, of course, will only be possible if we continue to invest in infrastructure. To meet this challenge, we are inviting the private sector—both local and foreign—to participate in infrastructure development. Our amended Build-Operate-Transfer Law is one of the most attractive laws of its kind in the world.

To complement the Philippine Infrastructure Privatization Program, the World Bank, the Development Bank of the Philippines and the Coordinating Council for the Philippine Assistance Program are working closely together to establish a Private Sector Infrastructure Development Fund.

The Fund is a lending program, led and managed by the private sector, that seeks to provide long-term, fixed-rate loans for viable private infrastructure projects on a competitive basis. It is, I am told, the first such facility in the world.

This development-oriented facility seeks to raise both foreign-and peso-denominated capital from domestic and offshore investors. Eligible borrowers are those proposing build-operate-transfer projects. This term financing facility will have the capacity to provide from US\$500 million to US\$1 billion in project financing.

Our immediate objective in infrastructure development is to provide the following:

1. Adequate water supply for household and industrial uses.
2. Power supply in line with growing requirements, to include natural gas as feedstock.

3. Smoother traffic flow. The situation in Metro Manila will definitely improve after the opening of the phase 2 of Circumferential Road 5, which will be completed within 12 months; the completion of the light rail transit systems, to include LRT 2, 3, 4 and 5; the construction of the rail and highway link between Manila and Batangas City, which is being developed as an international seaport.

4. Alternative investment sites beyond Subic, Cebu, Clark and CALABARZON, over which there has been established a Philippine Economic Zone Authority.

5. Improved roads, ports and airports.

6. Adequate telecommunications facilities.

### **Investor concerns**

The response of the private sector—Filipino and foreign—has been very encouraging. Foreign businessmen appear to be eager to invest long-term funds in infrastructure development; this indeed is a strong vote of confidence in the future of the Philippines.

This show of confidence does not make us complacent in responding to your concerns. To the contrary, it impels us to act faster.

We are concerned about the substantial trade deficit. In the past we had been able to finance the deficit through inflows from our overseas contract workers, and from investments (portfolio and direct investments). While these remain substantial, it is crucial that by making use of the Philippines as a production center, the big domestic market-oriented companies develop a greater volume of exports for our world market.

There are still many countries with which the Philippines has a large trade deficit. Let us put our talents together to reduce these trade imbalances for the benefit of the Philippines and its trading partners.

Another area of concern is tax reform. A high-level inter-agency group, led by the Department of Finance, submitted in August 1994 to the leaders of the House and the Senate a proposed tax reform package for the consideration of Congress.

There will be a continuing dialogue among us to enable Congress, the Presidency and the private sector to put the best possible solutions in place, to include the problem of home consumption value. The shift from the home consumption value to the Brussels definition of value as an interim measure—and to the GATT valuation code or transaction value—is high on our agenda.

Other economic bills that we expect to be discussed (and passed) during the final session of the Ninth Congress are the bill further amending the Foreign Investment Act of 1991 and the bill allowing the horizontal application of the Condominium Law in industrial estates.

Further improvements in the new Antidumping Law and the protection of intellectual property rights are being considered.

### **The next three years**

On July 1 this year, I shall be entering the second half of my Presidency. Let me give you an idea of what you can expect in the next three years.

With the expected support of both houses of Congress, I am convinced that a number of reforms which were kept on hold will now have a much better chance to succeed.



We will finish the flagship infrastructure projects and we will lay the groundwork for other infrastructure requirements that will allow the Philippine economy to grow much faster in the years to come.

We will continue with our policy of monetary stability on the basis of free-market forces.

We will pursue the deregulation of industries. The oil industry is part of this endeavor; the deregulation of the banking industry is well under way.

We have deregulated the telecommunication and transport industries. We are now studying the deregulation of the retail industry and are addressing the problem of the duty-free shops.

We will also address the labor issues—industrial peace, human resource development and protection, and cost-competitiveness.

In the next three years, a top objective is to achieve high employment. Accordingly, I have ordered a comprehensive employment strategy to be formulated, which will be discussed in our next Cabinet meeting. It goes without saying that foreign investments will form a crucial part of this strategy.

### **Stability, continuity and predictability**

If there is one condition to describe what you can expect from the Philippines in the next three years, that condition is stability, continuity and predictability. And we shall pursue our social reform agenda, a large part of which is already in place.

We will provide predictable monetary and fiscal policies—on inflation, interest rates, exchange rates, responsible debt management and tax reform.

Success will not depend on us alone. We also need people and organizations like you to tell our story to the world—and bring more investors and buyers to our country.

We want to develop relations with Europe similar to the ties we have within the Asia-Pacific Economic Cooperation. I have manifested total support for an Asia-Europe summit planned for early 1996, where European and Asian heads of state and government will be able to define the ways to achieve closer economic cooperation between Asia and Europe on the basis of mutual benefit and sovereign partnership.

That should raise Philippine-European relations to a much higher level. I say to you—stay with us—the best is yet to come!

*Source:* **Presidential Museum and Library**

Ramos, F. V. (1996). *Our time has come : the goals we set ourselves to obtain for our people are now within our reach*. [Manila] : Friends of Steady Eddie.

**Speech of President Ramos at the Closing Ceremonies of the First National Small and Medium Enterprises Leaders' Summit Speech  
of  
His Excellency Fidel V. Ramos  
President of the Philippines  
At the Closing Ceremonies of the First National Small and Medium Enterprises Leaders' Summit**

[Delivered at Malacañang, Manila, June 9, 1995]

**Promoting small and medium enterprises**

THE GOVERNMENT has long acknowledged that small and medium enterprises play a strategic role in generating employment, developing entrepreneurship, promoting technological change, and creating wealth in the country.

For one, small and medium enterprises compose more than 95 percent of all our business enterprises. The sector is so important that, within the last decade, extensive studies on the appropriate policy environment for the development of these enterprises have been conducted by both the Government and bilateral and multilateral donor agencies.

**Landmark laws**

These studies led to the approval by Government of two important legislative measures.

In 1989 the Magna Carta for countryside and barangay business enterprises, otherwise called “Kalakalan 20,” (Orbos Bill—Republic Act 6810)—was passed to assist rural industries with less than 20 workers through simplified registration procedures and various exemptions from taxation and labor regulations.

In 1991 the Magna Carta for small enterprises (Shahani Bill—Republic Act 6977) created the Small Enterprise Development Council to advise Government on the policy on small and medium enterprises. It was during the Ramos Administration when the implementing regulations for Republic Act 6977 were promulgated and the Small Business Guarantee and Finance Corporation (which I fondly refer to as “Small Buga”) was established to serve as a guarantee fund for easier credit to the poor, and provided for mandatory allocation of credit resources to small enterprises by the banking sector.

Although small and medium enterprises account for a huge portion of the business sector, they still play a minor role in international trade and investment. Export companies and foreign investment inflow and outflow remain dominated by large multinational companies.

Small and medium enterprises currently face a number of constraints for them to become major players. These include limited access to market intelligence relating to business opportunities; limited access to production inputs such as finance; difficulty in meeting product standard specifications; and social and cultural mores which discourage certain groups, such as women, to participate in business activities.

**The need for SME development**

Thus we need to devise programs to promote small and medium enterprises and speed up their development to enable them not only to become major regional players, particularly in the Asia-Pacific region, but also to compete on a global scale.

We should emphasize the importance of promoting small and medium enterprises in the international market by providing seed capital, tax incentives, start-up schemes and improved access to finance, as well as by enhancing their organizational and managerial capabilities.

In particular, we need programs that will accomplish the following:

1. Reduce and, as far as possible, eliminate administrative and unfair competitive barriers to market accessibility and distribution channels;
2. Improve accessibility to financial institutions providing credit, venture capital, leasing and insurance;
3. Promote and assist in the upgrading and adoption of appropriate technologies;
4. Enhance the small and medium enterprises' organizational and managerial capability, as well as the skills necessary to efficiently and effectively operate their business;
5. Foster business partnership and strategic alliances.

This Administration has in fact made headway in improving financial accessibility to small and medium enterprises. From 1946 to 1992, banks lent P16.1 billion to small and medium enterprises, but from July 1992 to December 1994, banks lent out P51.67 billion to small enterprises.

The loans to small enterprises of P51.67 billion compose 13.06 percent of the loan portfolio of all lending institutions and exceed the mandatory allocation of 10 percent of total loan portfolio to small enterprises required under Republic Act 6977, or the Magna Carta for small enterprises.

By providing the proper atmosphere conducive to business and financing, this Administration took only two and a half years to surpass the total amount lent by the banks to small and medium enterprises in 46 years before 1992.

### **Strategic actions**

I have been informed that this summit has thoroughly tackled these issues and has come up with some measures, labeled strategic actions for global competitiveness of small and medium enterprises, to respond to those concerns.

Further, the summit has articulated the wish for the greater participation of the private sector in the Small and Medium Development Council and for the establishment of the SME Grassroots Action Information Network System, or GAINS.

I am in full support of your objectives. Indeed, your aspirations, while ambitious, are realizable and feasible, if the Government and the private sector could coordinate their efforts more effectively toward their attainment.

You will recall that in the 1993 APEC Leaders' Summit in Seattle, Washington, hosted by President Bill Clinton, I articulated, for the developing countries of Asia-Pacific, the need for the more advanced economies to transfer technology on small and medium enterprises to us who were lower down in the economic ladder.

That initiative is now a reality and that APEC center is here in the Philippines pursuant to the consensus of APEC leaders in Bogor, Indonesia, in November 1994. Early in 1995 broke ground at the APEC center in Los Baños within the U.P. College of Agriculture community, just 20 kilometers from the center of the CALABARZON.

This morning I signed Administrative Order 196, creating the preparatory committee leading to the establishment of the Asia-Pacific Economic Cooperation (APEC) Center for Technology Exchange and Training for Small and

Medium Enterprises (CTET-SMES) and providing the initial organizational and budgetary requirements for this purpose.

### **Keeping to the path of progress**

I have also declared 1996 as the “Small and Medium Enterprise Development Year” with focus on the theme “Renewing the Spirit of Philippine Enterprise.”

I hereby direct the chairmen of Cabinet Clusters “A” and “B” to jointly review the proposals of institutional funding and policy support for small and medium enterprises presented in this summit, and to coordinate with Trade and Industry Secretary Rizalino Navarro about these.

I have also directed for Cabinet Cluster action the involvement of the Department of Education, Culture and Sports in the integration of entrepreneurship in the department curricula. I assure you that after the Cabinet Cluster discussions and my review, the issues will be comprehensively acted upon before the 21st of this month.

This Administration will take all steps to ensure that not only the large corporations are given the opportunity to flourish and compete on a global scale, but most especially the micro, cottage, small and medium enterprises among us.

But this I ask of the private sector: Let our country have a workforce that is ever raring to push itself to maximum productivity. Provide your workers with skills upgrading mechanisms and monitoring systems that will improve their output while we, together, put in place policies and networks for higher product quality and greater labor productivity.

If our country is to move decisively forward, it will be largely because of groups like you who are more than willing to extend time and effort to further the growth of the small-business men.

We have to keep to this path of sustained progress. Only by so doing can we move forward purposefully as one people and one nation, seething with the power of an economic dragon.

Let us all become a competitive Philippine team—ready, willing and able to meet the demands of the new world order and the twenty-first century.

*Source:* **Presidential Museum and Library**

Ramos, F. V. (1996). *Our time has come : the goals we set ourselves to obtain for our people are now within our reach*. [Manila] : Friends of Steady Eddie.

## **Speech of President Ramos during the 97th anniversary of Independence Day**

### **Speech of His Excellency Fidel V. Ramos President of the Philippines During the 97th anniversary of Independence Day**

[Delivered at the Quirino Grandstand, Rizal Park, Manila, June 12, 1995]

#### **Our time has come**

WE GATHER HERE TODAY, just as we have gathered here before, to commemorate Aguinaldo's proclamation of Philippine Independence at Kawit, Cavite, 97 years ago.

At Kawit our revolutionary forebears proclaimed—not a Filipino nation fully recognized by other nations—but the right and resolve of our people to be an independent state in their own land.

That First Republic did not last. But the historic affirmation of Filipino nationhood lived on—enduring many years of denial by foreign powers until finally achieved.

Every generation of our people since 1898 has been in turn a trustee of this Filipino dream of independence. So it is with the generations living today.

#### **Building a free society**

To Apolinario Mabini, the essential task of nationhood was “to form a noble and free society, taking reason as the only standard for action, justice as the only end and honest work as the only means.”

Over the past 97 years, it has sometimes seemed as though Filipinos were not equal to this task and this proud legacy—that we have not been prudent heirs to the generation of young men and women who audaciously founded this first Asian republic.

We have castigated ourselves—not just for failing as the “showcase of democracy in Asia”—but, even more, for falling behind our neighbors' march to progress.

But now the story is changing.

Today, through hard work and resolute action, we are a nation resurgent and advancing. Yesterday's economic laggard is on the move. Structural reforms, carried out across the board, have revived the economy and thrust it into the forefront of growth and development in Asia-Pacific.

Democracy's failed showcase is once again serving as a beacon of freedom and progress. The international community is hearing our distinctive message that a developing country can advance to sustained progress of democratic means—without recourse to authoritarianism.

#### **The Philippines' turn**

All these are but the beginning—the early fruits of three years of our collective effort. Looking down the road before us, there is much, much more we can accomplish.

My beloved countrymen: I am confident that, finally, our turn has come to rise as a dynamic and progressive country in the Asia-Pacific region.

Over the past decade, we have seen many of our neighbors rise one after the other to take their place in the ranks of newly industrializing countries.

Now, I say to all: Our time has come.

We can make this happen if we continue on the path of resolute reform and national strengthening that has marked our advance during these past three years.

United action, accelerated united action, is the key.

We will aspire to decrease the numbers of our poor by making more jobs available to them as they are increasingly brought into the mainstream of economic benefit.

We will strive to transform our rural areas into net contributors to national development.

We will strive to link our communities together with more modern infrastructures, transport, communications, water and power.

And we will devote more resources to improving the quality of life in our country starting in our 19 poorest provinces.

### **Beyond partisanship**

This is a vision of our country that is beyond partisanship—because its realization will redound to the benefit of all.

I am certain that during the next three years we can all work productively as members of the same national team—together seeking solely our country's development and our people's welfare.

We can fulfill these goals by inspiring our people—especially the young—with a sense of excitement, a sense of commitment, and a sense of rising national capability in meeting the challenges we face.

Our society is changing much faster and more pervasively than many of us realize.

A generational change is occurring in our politics much faster than traditional politicians have anticipated.

There is a collective yearning to achieve and to compete among our people today. They really want to see our country develop, and they want to make their own individual contributions to the total effort.

If we mobilize this idealism, it will redound to the transformation and growth of our beloved Philippines. It is said that each generation sees farther into the future because it stands on the shoulders of preceding generations. If so, today's young Filipinos can already see the nation we can become in the twenty-first century.

Never has there been a time when so much could be done by our people.

Never has there been a time when our people are in a position to show that they can contribute to and interact profitably with the world community.

*Ito po ang ating maaaring ipagmalaki ngayon—sa Kawit, sa Malacañang, sa Rizal Park, sa buong bansa at sa buong daigdig: “Ang galing ng Pilipino: dakila, magiting, nagkakaisa.”*

Indeed, whatever greatness, glory or nobility we can claim for ourselves as a people comes from our unity, from those instances in our history when we rallied behind the one flag, the one anthem, the one spirit of our nationhood.

### **An act of faith**

Such a moment came 97 years ago, when the Filipino people established, by revolutionary proclamation, the first democratic republic in Asia. That proclamation was an act of faith in the lightness and necessity of our long quest for liberty and self-determination.

*Tungkulin natin ngayon na ipagtanggol ang kalayaang iyon, at higit pa roon ay gamitin ito upang mapabuti ang kalagayan ng lahat nating mga kababayan.*

To all our beloved countrymen throughout the length and breadth of our archipelago, as well as to our brothers and sisters who live and work abroad and to all other peoples of the world, I extend a resounding “*Mabuhay!*” (Long Life!) and fervent prayers for your enduring peace, happiness and success.

*Source:* **Presidential Museum and Library**

Ramos, F. V. (1996). *Our time has come : the goals we set ourselves to obtain for our people are now within our reach*. [Manila] : Friends of Steady Eddie.

**NATIONAL GOVERNMENT PORTAL – EDITED AT THE OFFICE OF THE PRESIDENT OF THE PHILIPPINES UNDER COMMONWEALTH ACT NO. 638**

**Speech of President Ramos at the seventh anniversary of the Comprehensive Agrarian Reform Law, June 15, 1995**

**Speech  
of  
His Excellency Fidel V. Ramos  
President of the Philippines  
At the seventh anniversary of the Comprehensive Agrarian Reform Law**

*[Delivered in Malacañang, Manila, June 15, 1995]*

**Agrarian  
democracy at work**

**reform:**

ALMOST TEN YEARS AGO, we claimed the world's attention and imagination with the first "People Power Revolution." Today, we are again setting a precedent in the region. We are proving that democracy and sustainable development are not incompatible in a developing country.

We are proving that democracy need not be synonymous with weakness, for our democracy is strong and firm-rooted. Holding to the belief that democracy is not a handicap, but a source of strength, we have ushered in major economic and social reforms and stimulated remarkable growth.

But large as these accomplishments may be, I cannot be satisfied with them for as long as the benefits of growth are not fairly shared by those who need them most in our society. For along with economic prosperity must come equity—a narrowing of the gap between the well-to-do minority and the large number of our people who remain poor.

That is why Government must take a hand in ensuring that the poor are not shut out of economic development. That is why my Administration has thrown its weight behind a nationwide Social Reform Agenda (SRA), which we launched last September 27, 1994.

The SRA is an agenda for people empowerment. It is aimed at improving the situation of the most disadvantaged sectors in the national community—farmers, fisher-folk, the urban poor, women, young people and students, the disabled, the elderly and the indigenous cultural communities—by giving them better access to basic services and productive assets, and making them genuine participants in governance and nation building.

**A pillar of social justice**

Agrarian reform is a pillar of our agenda for social justice. Its role is to make growth sustainable—first, by making it equitable: by giving the ordinary people a stake in development. Second, it promotes growth that is politically stable—by dealing with a root cause of discontent and social strife.

Agrarian reform advances production efficiency as well. It directly strengthens agricultural development by accelerating the distribution of capital assets to those who till the land. It also enables landowners to shift their capital from land to industry—thus rounding off economic growth.

Today, we mark the seventh year of the Comprehensive Agrarian Reform Law. At the time the law was passed, there were those who believed government would lack the political will to make landlords give up their lands



willingly. Others thought the reform law was destined to become ineffective—because in the history of tenurial reforms in the world, not one had been carried out within a democratic framework.

And while the law may have its imperfections, it is certainly the most comprehensive this country has ever seen. It covers all types of land and has a 10-year time table.

Since the start of the program in 1988 until the end of last year, the Department of Agrarian Reform has distributed 1.9 million hectares of titled agricultural lands. More than half of these were transferred during the first three years of my Administration. Leasehold arrangement cover 733,000 hectares—benefitting some 478,000 farmers nationwide. The Land Bank has paid almost P7.4 billion to cover some 457,000 hectares of privately-owned agricultural lands.

Agrarian cases filed with the Department of Agrarian Reform are being decided on with dispatch. Last year alone, the department resolved more than 11,200 cases—an average of 36 cases a day. We have also increased substantially infrastructure support for our farmers. Since 1988, government has built nearly 5,000 kilometers of roads and irrigated nearly 43,800 hectares.

### **Land redistribution**

Nor have we forgotten our farmers' need for credit. Since 1988, total credit released to them has topped the P34-billion mark, benefitting some 3.3 million farm-families.

As we move on to the last phase of the agrarian reform program, we must deal with the remaining challenges it faces. The most crucial of these is that of redistributing privately-owned agricultural lands measuring 24 hectares and above. Breaking up these large holdings must be the program's emphasis over these next three years. We estimate that another 700,000 hectares would still need to be redistributed.

My Administration sees land-transfer as merely the initial phase in its effort to transform our small farmers into productive, competitive agricultural entrepreneurs. Land redistribution by itself negates the economies of scale in production, processing and marketing that large landowners enjoy. For this loss of scale, land reform must make up in the greater productivity of independent cultivators.

This is why we are organizing agrarian reform communities, or ARCS, throughout the country. An arc is a cluster of communities of agrarian-reform beneficiaries receiving a package of support services from government. There are already 585 ARCS established all over the archipelago. They cover a total 2.2 million hectares and involve some 374,000 households.

The potential of these ARCS for fostering a development boom in our countryside is so self-evident that a surge of assistance for them has come from friendly countries such as Japan, Belgium, Italy and the European Community. ARCS promise to make our small farmers export-competitive. Already ARCS are contract-growing asparagus in Negros Occidental Province; hybrid corn in Ilocos Sur; peanuts in Isabela; and coffee in Nueva Vizcaya, Ifugao and Davao.

In the process, ARCS are teaching us an important lesson. Small farms can become as efficient as large farms—while also incurring lower managerial, transaction and labor costs. The key is to provide these agrarian-reform communities with the support services and marketing linkages they need. Already we are seeing a proliferation of small contract-growing schemes, particularly on Mindanao island.

### **Let us finish the job together**

The work of completing agrarian reform over the next three years will be difficult. Our success will depend on how much we strengthen Government's economic capacity and its political will. There are two priorities we face.

First, we must transform the Department of Agrarian Reform into an agrarian development bureaucracy serving our agrarian-reform communities. The cadres of agrarian reform must acquire new skills—if they are to remain relevant after land redistribution is over.

Second, Government must bridge the funding gap in implementing agrarian reform. The original law set aside only P50 billion for completing land reform measure. We need about double that much—both to see redistribution through and to strengthen the ARCS.

Government must also sustain farmers' support for the program and their readiness to take advantage of the opportunities it opens to them. Government must also work to transform the lingering resistance of landowners to collaboration in its efforts to democratize landownership.

### **Strengthening agrarian reform**

I fully realize that land ownership is an emotional issue. But the future of our country lies in a more equitable sharing of its productive resources. The time has come to shift capital from land to industry—particularly to industry that makes full use of our agricultural produce.

I urge the non-Government and people's organizations working with us to intensify their efforts at organizing farmers groups. The lack of farmer-solidarity is a weakness we must remedy—if we are to make our agriculture productive and efficient. As for our friends in Congress, I ask them to help us pass the enabling legislation that will strengthen agrarian reform.

In 1998, we shall be celebrating the hundredth year of our independence. We must make the centennial of our political liberty also the occasion for commemorating the end of Philippine agrarian feudalism. That would be the finest tribute we can pay to all those who fought and died for liberty, equality and fraternity in this country.

*Source:* **Presidential Museum and Library**

**Address of President Ramos at “A Gathering for Human and Ecological Security” Conference on Population, Environment and Peace Keynote Address  
of  
His Excellency Fidel V. Ramos  
President of the Philippines  
At “A Gathering for Human and Ecological Security” Conference on Population, Environment and Peace**

[Delivered at the PICC, Roxas Boulevard, Manila, June 16, 1995]

**A gathering to secure  
the future**

WE MEET TODAY at a historic convergence of global events dedicated to the survival and well-being of peoples and nations around the world.

This Gathering for Human and Ecological Security fulfills the promise of earlier events while laying the groundwork for another global conference scheduled two years hence.

We draw strength and impetus from three earlier conferences that revolutionized our view of the world and how to care for it—as well as our view of the human person and how to empower him or her.

**Human development and sustainable development**

This gathering proceeds from the compelling concept that human development is inextricably linked with sustainable development, as enunciated by the United Nations Conference on Environment and Development, also known as the Earth Summit, held three years ago in Rio de Janeiro.

We remain convinced more than ever by the global consensus arrived at in the International Conference on Population and Development, held in September 1994 in Cairo: that there is a close connection among the factors of population, economic deprivation, consumption and production patterns, and environment.

Finally, from the World Summit on Social Development, held in Copenhagen last March, we reaffirm the value of harnessing the productive capacities of our peoples through social integration—in a global effort to reduce poverty substantially.

**The human agenda**

All these three major international conferences called for programs of action that vigorously pushed the human agenda in every community, national and international endeavor. These historic meetings emphasized the intimate relationship between environmental care and human development goals, with one strengthening the other.

And these same gatherings called for initiatives by participating nations to transform visions into realities, and concepts into deeds.

Today, in this assembly, we will be doing just that. As host country, the Philippines will be one of the first countries to give substance to the promise of all participating nations that they harness their institutions and people to carry out programs identified in those conferences.

Yet we will, in fact, be doing much more. We will contribute new visions and insights, born of our collective experience, to subsequent gatherings of the family of nations. Notably, the fiftieth anniversary of the United Nations later this year, the Second International Forum on the Culture of Peace, and the 1997 Global Charter.

## **The culture of peace**

One such insight is our view that we can only secure our common future; we can only meet the aspiration of the human person to dignity and opportunity; and we can only and truly preserve our planetary home—if we can re-establish, maintain and enhance the culture of peace.

In this gathering, we introduce peace as the third pillar in the all-important trilogy—population, environment and peace—that will, therefore, achieve for all of us real human and ecological security.

There is no doubt that we stand on the brink of disaster if we do not do something fast about several threats to our very existence; or on the brink of opportunity if we use our God-given and collective wisdom to recapture, finally, humankind's active stewardship of the earth.

On a global scale, we will collectively address the main causes of poverty of peoples and nations—the unequal sharing of the world's resources and income, lopsided trade and commerce arrangements, and inequitable socioeconomic policies of countries.

For instance, if one fifth of the world population controls 70 to 85 percent of the world's income, that leaves only 15 to 30 percent to the rest of the world's inhabitants. I am sure you will agree that this has to change, and that change must begin right here in this gathering.

## **Dealing with population growth**

On a national scale, here in the Philippines, we are dealing resolutely with poverty, since 40 percent of Filipinos still remain below the poverty line. We have improved mother-and-baby health conditions, and increased the average annual family income. We will intensify the implementation of our social reform agenda, now fortified by newly enacted laws especially in education, housing, social security, job generation and disaster mitigation. And we will improve income distribution through agrarian reform and countryside development.

On a global scale, we will assume this take-charge posture in dealing with an overcrowded planet with a shrinking carrying capacity. We now have a global population of 5 billion—and this is growing annually by a total of 90 million. That yearly growth is even more than the present population of the Philippines.

The Philippines has a population of some 67 million, making us the 14th most populous country in the world, and the eighth in the whole of Asia. With a yearly population growth rate of about 2.2 percent, the Philippine population is expected to reach 79 million at the turn of the century.

We have placed our Philippine population program on a more rational and objective basis, which contains many of the recommendations of the Cairo Conference, especially those recognizing the intimate relationship of family, population, resources and the environment.

## **The threat to ecosystems**

Our ecosystems, on a global scale, are also threatened by the destruction of forest cover, confirmed by a study that 15 percent of the earth's forest species will disappear in just a quarter of a century if nothing is done about it.

In his book, *Preparing for the 21st Century*, Paul Kennedy pictured how fragile our planetary home is and how vulnerable we all are. He said:

The earth, unlike its neighboring planets, is covered with a film of matter called life. The film itself is exceedingly thin, so thin that its weight can scarcely be more than one-billionth that of the planet which supports it. . . . Within that film, coexisting alongside plants, animals, insects, crops, and other organisms, is the human race.

With the present alarming situation and with a picture of our common vulnerability, our shared stewardship of the only home we have got has become all the more crucial. We have only one choice if we have to preserve life: for all to play our role resolutely as earth stewards with an international network as this one helping to provide the needed directions.

In the Philippines, we are doing something about our rapid loss of 119,000 hectares of forest cover every year. We have noted that, out of the 30 million of forested area in the past, only 6.5 million hectares have remained.

Resolute measures have been introduced, including a massive reforestation and greening program, a selective ban on logging and the involvement of communities in forest protection.

### **An elusive peace**

On a global scale, as we all know, peace remains elusive. Even as we have reached the end of the Cold War, regional, fratricidal and ethnic wars still plague a number of countries. The magnitude of human losses is disturbing; from four to six million people, 90 percent of whom are civilians, have died in these endless conflicts.

The victims of war are not only those who died but those who have had to leave their conflict-ridden countries to become refugees in other lands.

Undoubtedly the absence of real peace and the outbreak of armed conflicts are a real threat to human security. This gathering has decided correctly to address this issue.

### **Our peace process**

In the Philippines, we have initiated a peace process that involves the entire concerned citizenry to bring back our dissident brothers into the mainstream of civil society. We have reached out to insurgents espousing different ideologies and causes against the Government and succeeded in bringing them to dialogues for peace, where a spirit of talk-talk instead of fight-fight prevails.

Our peace initiatives have made significant headway toward a principled and peaceful resolution of armed conflicts with neither blame nor surrender aforethought, but with dignity and a just peace for all concerned. To get to the root of the conflict, we have forged a new social compact for a just, equitable, humane and pluralistic society.

### **Global view, local action**

To our global experts who flew in to join us at the conference, our expression of thanks will be shown in the earnestness and energy by which we will take to our tasks to find and build a consensus on how to take charge of our common future.

To our national and local leaders, on whose shoulders falls the common responsibility to take charge of our national destiny, our survival and security, consider this a once-in-a-lifetime opportunity to view things globally and take action locally.

This gathering once again proves that we are all connected in one circle of life, and that we belong to the same family with a common beginning and common destiny.

At this historic junction, we hope to enhance the promise of past assemblies and provide a new vision for subsequent assemblies of concerned leaders all over the world. This, however, could happen only:

*If we enter new frontiers of human creativity to find fresh solutions to our problems;*

*If* we test the outer limits of our will and energy to get the job done; and

*If* we discover a newfound faith in one another, so that—with the divine power guiding us—we can indeed have dominion over all the earth for the people's welfare.

And as stewards of this earth and of our country the Philippines, we shall be committed not to exploit but to preserve it; not to assault but to nurture it; and not to drain it of its resources but to hand it to the next generation in a much better condition of abundance, beauty and sustainability.

This is the promise of this conference. We, together, will transform this promise into a deeply felt commitment.

*Source:* **Presidential Museum and Library**

Ramos, F. V. (1996). *Our time has come : the goals we set ourselves to obtain for our people are now within our reach*. [Manila] : Friends of Steady Eddie.

**NATIONAL GOVERNMENT PORTAL – EDITED AT THE OFFICE OF THE PRESIDENT OF THE PHILIPPINES UNDER COMMONWEALTH ACT NO. 638**

**Joint Address of President Ramos at the closing ceremonies for the International Conference on Population, Environment and Peace, and the opening ceremonies for the Conference of National Councils for Sustainable Development in Asia and the Pacific**

**Joint Address  
of  
His Excellency Fidel V. Ramos  
President of the Philippines  
At the closing ceremonies for the International Conference on Population, Environment and Peace, and the  
opening ceremonies for the Conference of National Councils for Sustainable Development in Asia and the  
Pacific**

[Delivered at the PICC, Manila, June 17, 1995]

**A question of balance**

AS WE CLOSE TODAY the International Conference on Population, Environment and Peace, we also open the Conference of National Councils for Sustainable Development in Asia and the Pacific.

You could say that one happy result of this is that you have to listen to me only once, and I for my part have to give only one address.

Yet it is not so much because of thrift that these two conferences have been linked together here as because the concerns and themes of both conferences are in every way related.

**Two paramount concerns**

The Conference on Population, Environment and Peace focuses our attention on human and ecological security. The Conference of National Councils for Sustainable Development in the Asia-Pacific addresses the strategy of sustainable development which fuses two paramount concerns of our time: the need to achieve economic development, and the need to conserve the environment that is the lifebelt of mankind.

One naturally leads to the other, as it were. This is putting together, in a synergistic way, the global view with regional concerns that will lead to effective local action.

During the past two days you have affirmed the principle that global environmental care, a worldwide culture for peace, and human development goals are intimately related. You have been challenged to create initiatives—nationally and internationally—to transform visions into realities, and concepts into deeds.

**Philippine contribution to Earth Charter**

It is already a sign of progress in promoting human and ecological security that from here on the countries and organizations represented here have unanimously agreed to accept a higher standard of human effort and achievement than they have done before.

Because of your valued deliberations, we can say that together we are laying the foundations leading to a new world where our societies and our peoples can feel more secure environmentally and socially. And we can dare to hope

that there is rising today a vast army of dedicated stewards who can truly ensure the survival of humankind on Mother Earth.

For us in the Philippines, it is a privilege that we can make our own contribution to the Earth Charter, which will be adopted by the family of nations in 1997. This contribution embodies our commitments and pledges to this noble ideal.

While as a nation we will strive to develop our economy, strengthen our social cohesion and lift our people from the mire of poverty, as a nation we also recognize our responsibility to help in the care of our endangered planet. We must—and we will—do our part.

### **Development and the environment**

It took some time for our peoples and our governments to fully realize what was happening to our planet. But since the Earth Summit in Rio in 1992, none of us can be unaware anymore of the problem. Some can only pretend not to know.

Essentially, we all should understand better by now “the two-way relationship between development and the environment.” In our respective ways, we have all learned to our sorrow that development can cause and has caused serious environmental damage.

And we have also learned that environmental degradation and related problems undermine the goals of development, particularly future productivity on a sustainable basis.

### **Let us not foreclose tomorrow’s progress**

Our collective experience has shown us the folly of progress made today that has as its price the foreclosure of progress anticipated for tomorrow.

It was in the search for a win-win solution that “sustainable development” was recognized as the only rational and acceptable answer.

Through the concept of sustainable development, our countries have come to recognize that it is truly possible to develop and yet conserve environmental quality in our societies.

And it is a measure of how far we have already gone—in this crucial program and in our Asia-Pacific region—that today we are convening this Conference of the National Councils for Sustainable Development in the Asia-Pacific.

One environmental expert in our country confidently says that what is taking place today is a silent revolution that has compelled most people to rethink their priorities, their view of development and their perspective for the future. It is a revolution that has gone through political and cultural barriers, united former enemies and penetrated the walls of national interests.

It amazes me no end to recall that the revolution of sustainable development is no more than a decade old today. Yet, already it has inspired commitment from many governments and peoples around the globe.

It is not difficult to see why. For the evidence of man’s neglect of the environment and nature, resulting from his relentless and yet short-sighted drive to produce wealth and expand his turf, has become a powerful force that has turned citizens’ dismay into political power. In many countries, especially the more advanced, this power has turned into votes, and votes into environmentally-concerned politicians.



In countries like the Philippines, it is only now that we are beginning to feel that, indeed, our people have started fulfilling their share of environmental responsibility by turning their convictions into political signals. During the May 1995 national and local elections, we saw not a few candidates get elected on an environmental platform.

### **Sustainable development in the Philippines**

In fact, we are seeing such changes happen globally. With the end of the Cold War, nations have redirected their efforts toward confronting global environmental realities such as climate change and its possible effects on coastal communities and national borders, food security and its relationship with natural resource bases, and the promotion of health from a cleaner environment. Facing these issues needs a new perspective, especially in the areas of global and regional cooperation, national and local governance, and the allocation of natural resources.

We in the Philippines have been fortunate perhaps in adopting the paradigm of sustainable development as official policy as early as 1989. And after taking part in the Rio Summit and acceding to Agenda 21, we immediately created the Philippine Council for Sustainable Development in 1992.

And we are now fully engaged in overcoming sectoral divisiveness among us and integrating non-Government and people's organizations in the decision-making processes of the Ramos Administration.

The Council in many ways breaks new ground in providing a mechanism for sustainable development that transcends the limitations of traditional bureaucratic institutions, because Government and NGOs sit as coequals in the Council, which represents the highest level of decision-making in government.

### **Cooperation with others**

At the same time, we have explored regional mechanisms for cooperation toward sustainable development. Environmental cooperation among the members of ASEAN, for example, already has a history to look back to. As far back as 1981, ASEAN issued the Manila Declaration, which called for the protection of the ASEAN environment and the sustainability of its natural resources to ensure continued development and attain the highest possible quality of life for our peoples.

The Manila Declaration was followed by the Bangkok Declaration of 1984, which adopted an ASEAN strategy for development that included environment dimensions in development planning; by the Jakarta Declaration of 1987, which called on ASEAN members to adopt the principle of sustainable development as a guide and integrating factor in ASEAN's common efforts; the Kuala Lumpur Accord of 1990, which moved ASEAN toward taking concrete steps at sustainable environmental and natural resources management; the Singapore Declaration, which called for intensified cooperation in environmental management; and, most recently, the Bandar Seri Begawan Resolution on Environment and Development, which called for the adoption and implementation of the ASEAN strategic plan of action on the environment, including the harmonization and standardization of environmental quality standards throughout the region.

These and the concrete steps taken to carry out these declarations and resolutions reflect the vitality of environmental cooperation in the ASEAN region. We have broken ground in working together for common purposes, while yet accepting that we have varied national responsibilities to fulfill.

So we fully understand the import of this conference, which hopes to bring out a common understanding of our responsibilities as Asian and Pacific nations under Agenda 21.

At the leaders' summit of the Asia-Pacific Economic Cooperation (APEC) in Seattle in November 1993, I called for the protection of the environment to make up for the assault and abuse upon nature in the past. I expressed the hope then that within APEC, the developing countries should be assisted in order that they may not deteriorate into neocolonial status with respect to their developed neighbors in Asia-Pacific.

### **Debt swaps to finance human development**

I called attention to a means by which the developed and developing countries could jointly address ecological concerns by turning a modern-day problem into an opportunity for meaningful action. The problem I referred to is the heavy debt burden of many developing countries; the approach I proposed is the debt-for-nature swap and other debt swaps to finance human development undertakings, such as debt-for-education and debt-for-children.

My country welcomes arrangements we have already made with the United States, totaling US\$11.5 million in favor of environmental projects of the World Wildlife Foundation in the Philippines, and with France, totaling 20 million French francs (or US\$4.1 million), in favor of resettlement projects for victims of the Mount Pinatubo disaster. We are negotiating with the Swiss government for about US\$30 million worth of debt swaps in favor of our social reform agenda.

### **Two modern-day problems**

These are still limited amounts, to be sure, showing us that there remains great scope for more of these arrangements to be tapped, possibly with the large multilateral donors as well. The finance ministers of APEC have in fact been meeting regularly to craft creative packages to balance financial burdens vis-à-vis peoples' survivability.

I therefore call on the creditor countries and institutions, represented by the G-7 nations now meeting, coincidentally, in Halifax, Canada, to break new ground in addressing these two modern-day problems of global concern—poor-country indebtedness and environmental degradation—through more of these swaps. In so doing, we will actually be swapping problems for solutions, and move all of us closer to true human and ecological security!

On behalf of our people and government, I extend here today our unqualified support to these two crucial conferences in Manila. And we join you in the prayer that they will serve as crucibles for strategic plans and responsive action in our quest for a better world.

*Source:* **Presidential Museum and Library**

Ramos, F. V. (1996). *Our time has come : the goals we set ourselves to obtain for our people are now within our reach*. [Manila] : Friends of Steady Eddie.

**Speech  
of  
His Excellency Fidel V. Ramos  
President of the Philippines  
During the presentation of Journalism Awards sponsored by the Rotary Club of Manila**

But I think that is precisely the point about press freedom. If there were perfect coincidence, we would be another society altogether.

## **Print and electronic media**

When the constitutional right of press freedom was first framed, there was no such thing as “the electronic media” we know today. There was only the print press.

Today, it is clear, however, that our organs of public opinion and communications include both the print and electronic media. And I agree with those who say that when we speak of constitutional protection of press freedom, that includes our journalists and organizations in broadcasting.

Lately, the Philippines has been cited in the international community for its economic turnaround and the democratic route to development that it has taken.

Of proof that the economy is growing, we have the familiar indicators: growth of gross domestic product, investments, foreign-exchange ratios, Philippine peso stability, export performance, inflation and interest rates, foreign-exchange reserves, job generation, and the like.

Of proof that we are really a democracy, we could say that we have regular elections and a Government of three separate coequal branches that works by consensus. Yet if we ask the foreign observer for the most salient proof that democracy lives in the Philippines, he would probably point first and foremost to our free press—whose exuberance and lack of inhibition perhaps have no parallels in Asia and the world.

## **A great source of strength**

Freedom of the press, it has been well said, is close to the central meaning of democracy. Where men cannot freely convey their thoughts to one another, no other freedom is secure and democracy would be just a sham. The more I look at our people and our country, the more convinced I am that one of our greatest sources of strengths as a nation is our free press. When authoritarianism was regarded as the only way to development in Asia, we Filipinos stood apart for our unswerving belief in press freedom and democracy.

Today, when many worry whether the law and the most basic rights will survive in some of our neighboring countries, a free press is one of the few certainties about this country.

There was a time when foreign observers saw our democracy as a liability, and our free press as a luxury we could ill afford. But today when publications are being haled to court or closed down in other parts of the region, we do not at all hear that lament anymore. Indeed, I sometimes get the feeling that we are the object of envy, perhaps even of admiration.

Our free press is a beneficiary of our democracy and vice versa. But equally, it is also one of the architects of our democracy. This, in my view, is part of the meaning of these Rotary awards for journalism.

## **Power and responsibility**

In all these awards given tonight, we have seen the press wield its power with responsibility and dedication. Yet the picture would not be complete if we do not also point out—even here in these award ceremonies—how sometimes some segments of our press fail to live up to its lofty role in our society.

Just as our press has approximated unbridled press freedom in the West, so it has also been vulnerable to the excesses often bewailed there. When Alexander Solzhenitsyn declared that “hastiness and superficiality” are the psychic diseases of the twentieth-century press, he was describing a phenomenon that we have also seen in our country.

In our own way, key sections of our press have fallen prey to the practices of unnamed sources, *kuryentes*, trial by allegation, shallow analysis, cynical press coverage that in no way advance the goal of getting at the truth of events and issues. We have even invented some new forms of press abuse.

Yet to the credit of our press and our society, we are not passive before our shortcomings. Indeed, the idea of press freedom exercised with responsibility flourishes among us.

For us, press freedom is not the concern alone of the press and its immediate audience. There is always a third party to the press story—and that is the community or, if you like, the nation as a whole.

An element of duty is involved in the right to press freedom. With the public power of the press goes public responsibility. This you of Rotary who follow the four-way test know as well as I do.

### **The press and public policy**

I mention this now because the Filipino press has an unparalleled opportunity today to contribute genuinely to the sustainable development of our country.

At this time when our people are finally stirring to the challenge of development, the press can help enormously by contributing to the formation of public policies and the monitoring of programs and projects.

By this, I am not restructuring the idea of “developmental communications” which was employed by authoritarian states—including our own during martial law—to plead the cause of controls over the press in poor societies.

I am only suggesting that the press cannot sit out the struggle for national development which we are now so close to winning.

Freedom of the press, let us remember, is not just freedom from all kinds of compulsions and constraints. It is also freedom for the achievement of mighty goals.

### **What the press can do**

It surely is not enough for the press to merely complain about how we still lag behind our neighbors and the ills in our society. The press can help find solutions, support those who are earnestly working to fill needs, and build up our people’s morale and self-confidence in this struggle.

The press, I submit, can do all this if it takes the time to cover public issues more thoroughly and understand them; if it covers our national and local governments more deeply; and if it looks beyond the personalities, the daily press events and false issues created for grandstanding.

My one prayer is that we can discuss and debate national issues thoughtfully and earnestly, with a problem-solving approach, without sacrificing our hard-won civility and unity as a people.

The most remarkable thing about the press in this country is that we do not ask for standards to be adjusted to our circumstances. We want international rules and standards to fully apply, because we believe this is the only way for our press to mature and truly develop.

In closing then, let me quote to you the words of Mario Cuomo, former New York State governor, who perhaps expresses for all free peoples what is at stake in the freedom of a nation’s press:

The great gift [of freedom of the press] comes with great responsibility.

The press—print and electronic—has the power to inform, but that implies the power to distort.

You have the power to instruct, but that implies the power to mislead.

You have the power to uplift, but that implies the power to demean.

You can lead our society toward a more mature and discriminating understanding of the process by which we choose our leaders, make our rules, and construct our values.

Or you can encourage people to despise our systems and avoid participating in them.

You can teach our children a taste for violence, encourage a fascination with perversity and inflicted pain.

Or you can show them a beauty they have not known.

You can work wonders—on a page, on a screen.

You can make us all wiser, fuller, surer, sweeter than we are, or you can do less. And worse.

The meaning of these Rotary Journalism Awards lies in the positive things it says about our press. They remind us that our press can encourage us to be better officials, better governors, better mayors, better citizens, and a better country than we are now.

*Source:* **Presidential Museum and Library**

Ramos, F. V. (1996). *Our time has come : the goals we set ourselves to obtain for our people are now within our reach*. [Manila] : Friends of Steady Eddie.

**Speech of President Ramos during the Association of Southeast Asian Nations and Chambers of Commerce and Industry Conference**

**Speech  
of  
His Excellency Fidel V. Ramos  
President of the Philippines  
During the Association of Southeast Asian Nations and Chambers of Commerce and Industry Conference**

[Delivered at Malacañang, Manila, August 2, 1995]

**The  
of coexistence**

**ASEAN**

**way**

THIS MEETING of the ASEAN Chambers of Commerce and Industry (ASEAN-CCI) reaffirms a truth we should remember more often: You cannot put down a good idea.

The vagaries of politics, economics and security occasionally test the relations among our countries in ASEAN, but ASEAN itself has only grown stronger with the years.

Twenty-eight years ago, ASEAN's founding fathers signed the Bangkok Declaration creating the Association of Southeast Asian Nations.

**A cooperative mechanism: the Asian way**

Amid the turmoil of the times, they endeavored to create an alternative Asian mechanism for the attainment of peace, freedom, social justice and economic well-being for our peoples, away from the military-security bias of the period.

They sought to do this by using a method familiar to them—the Asian way of fostering understanding, neighborliness and consensus among themselves and among the other countries of the region.

Although lacking any comparable model among developing countries, succeeding leaders of ASEAN persevered on this course, sustained by their faith in the sense of community of the ASEAN peoples.

The world then did not quite know what to make of ASEAN. At times we were labeled a security arrangement. In a sense, they were right: we are in many ways a security arrangement—but not of the usual kind; one with a big difference in that ASEAN is an association to secure the future of its member-nations and peoples.

ASEAN has treated security not just in its military dimension, but especially in terms of the preservation of the community of economic well-being, cultural understanding and social progress on an enduring and sustainable basis.

**Building on our gains**

Today, our leaders' patient and painful toil is now bearing fruit. The outlines of political, social and economic community are taking shape even beyond purely government initiatives.

Realizing the importance of the private sector's contribution to the accomplishment of the objectives of ASEAN, the ASEAN-CCI came into being to provide a mechanism to maximize the private sector's efforts toward regional cooperation and greater people empowerment. The value of direct contacts among like-minded leaders in business, finance and industry was not lost on our leaders.

The present global trend toward trade liberalization and the rise of Southeast Asia as among the fastest growing in the world bear out the vision of ASEAN's founding leaders.

Today their efforts and those who succeeded them have given our business sector a stronger sense of community and spirit of teamwork which make for good economics, good business and stronger friendships all around.

I understand that the main agenda of your ASEAN-CCI meetings is to realign your organization to make it a true partner of government in development.

Three years ago, the ASEAN heads of government decided to take bold initiatives in effecting a new economic order for ASEAN by agreeing on the establishment of the ASEAN Free-Trade Area (AFTA).

We can expect newer and bolder initiatives in the coming Bangkok Summit to push ASEAN integration further.

Our collective experience is that the best way of sustaining long-term economic development is for the private sector to take the initiative, with government providing the policy environment and the incentives for the private sector to do better.

One of the initiatives that the private sector has supported and pursued consistently is the concept of subregional growth areas. The East ASEAN Growth Area sponsored by Brunei, Indonesia, Malaysia and the Philippines is one such outstanding example.

These are new opportunities that should be promoted and encouraged by the ASEAN-CCI. New investments that are ASEAN in format promote job generation in the host country and strengthen people-to-people relationships among us—a positive step toward the integration of our economies.

### **Time for new directions**

As ASEAN moves toward the twenty-first century, and given the strategic window of opportunity provided by AFTA, it is time to chart new directions.

As the ASEAN economies continue to mature, closer economic cooperation is now easier to attain. As you have rightly expressed in your G-14 Report as early as 1987, "We must move nationally and act severally. But we must also act jointly and work together regionally." This strategy is even more appropriate now in the new era of increasing global competition.

You have my wholehearted support for your decision to reorganize your third-country business councils in accordance with regional groupings. Indeed, new issues are emerging that should be confronted by ASEAN as a region. I also endorse your initiative to work closely with the ASEAN secretariat in Jakarta by establishing your own permanent secretariat in the same city.

ASEAN-CCI has contributed a lot to the discussions of government of many policy issues in the past. However, the synergy between government and the private sector must be further strengthened in order to steer our economies toward an era of borderless trade. Your participation in policy initiatives as well as in specific ASEAN projects can, indeed, greatly influence the progress of ASEAN.

It is evident that regional cooperation is one of the ways to get ahead under the new economic order. The greater interest of the European Union and the North American Free-Trade Area in Asia-Pacific can be made to work in our favor and there are also advantages to be derived from the establishment of the World Trade Organization.

We would like to be a community of people with a quality of life that allows us all to live in human dignity and decency. We must carry out this mission within the purview of the General Agreement on Tariffs and Trade which



recognizes the different levels of economic development in its member-countries and grants special and differential treatment to the less developed members.

This factor we must always consider and provide for.

### **Competing do the world market**

There are now seven members of ASEAN with Vietnam becoming our newest partner just this week.

ASEAN is now a region with 400 million people. Its combined market will allow strategic alliances to achieve economies of scale. Creative partnerships can surely work to our advantage, but our governments must ensure that there is an even playing field that considers the disparity in economies and incomes.

The new century will see the Asia-Pacific region as the center of growth and development. The Philippines has the distinct advantage of being at the strategic gateway of this dynamic region, which contains both the world's youngest and most enterprising people as well some of us oldest civilizations.

As we move ahead, let the welfare of these young people of ASEAN guide us in our thoughts and actions. Let their future be our business.

*Source:* **Presidential Museum and Library**

Ramos, F. V. (1996). *Our time has come : the goals we set ourselves to obtain for our people are now within our reach*. [Manila] : Friends of Steady Eddie.

**Speech of President Ramos at the 1995 Asia Lecture, Asia-Australia Institute on the State Visit to Australia**

**Speech  
of  
His Excellency Fidel V. Ramos  
President of the Philippines  
At the 1995 Asia Lecture, Asia-Australia Institute on the State Visit to Australia**

[Delivered at the Sheraton Hotel, Sydney, August 18, 1995]

**The  
in the Asia-Pacific**

**Philippines**

APPEARING BEFORE this same forum in October 1991, Foreign Minister Gareth Evans produced a suitable epigraph for my own talk here this evening when he said:

“This [Asia-Pacific region] is where we live, must survive strategically and economically, and find a place and role if we are to develop our full potential as a nation.”

These words might well be said of the Philippines also.

We Filipinos too had once set ourselves apart from our neighbors—glorying in our imagined distinctiveness as “the only Christian nation” and as “democracy’s showcase” in Asia-Pacific.

**Our role in the region**

We too had sought our self-image in “alliances with the distant great and powerful.”

The U.S. Seventh Fleet’s sailing away from Subic Bay on November 24, 1992, ended an era during which—for 421 uninterrupted years—there had been no single day that foreign troops were not based on Philippine soil.

Today, like Australia, we have found a place and a role in Asia-Pacific. Economically, politically, culturally and historically we Filipinos have finally “returned home.”

We now identify primarily with ASEAN—and we have made our relationships in Asia-Pacific the cornerstone of our foreign policy.

Since my election in middle 1992, I have—in carrying out this goal—visited every East Asian country except North Korea, Laos, Cambodia and Myanmar. And this first visit to Australia by an incumbent President of the Philippines reciprocates—belatedly—the visits of three Australian Prime Ministers over the 49 years since our governments exchanged diplomatic recognition.

(On a personal basis, Mrs. Ramos and I are repatriating our Australian son-in-law, who is here with us tonight.)

**Theme statement**

My country’s concept of its place—and role—in Asia-Pacific and my people’s vision of our future—this is my topic before this distinguished forum tonight.

I am acutely aware that a spate of troubles up to end 1992 caused our neighbors and friends some anxiety and concern.

I am pleased to tell you that now in the middle of my six-year term, we have been able to put our house in order—and restored our economy to the path of growth.

And we are developing as a working democracy—not as an arrogant example for other peoples to follow, but because history has so shaped our political culture that any other way will not so easily work for us.

In a word, we Filipinos are ready once again to play a more active role in regional cooperation—and to account for ourselves more significantly in the world.

## **OUR MUTUAL SECURITY IN ASIA-PACIFIC**

Let me begin with the subject closest to your own interests: our mutual security in Asia-Pacific.

In our security concerns, there is some convergence of views between our two countries. Like you, we believe that security has many dimensions: it involves not only the military but the economy, diplomacy and politics as well; and economic growth and interdependence, in the context of the new world trading regime, by themselves promote regional stability.

Our respective defense staffs may dismiss this belief as naive. But, over these past two decades, we have seen how economic progress, together with human development, can make countries not only richer but safer.

We have seen how the force of arms—which has for so long arbitrated relationships between nations—can give way to the more benign regime of mutual benefit. In fact, for the richest and most settled portions of the globe—the democracies of Western Europe and the Americas—war has become outmoded as an instrument of competition.

Of course, where there has been little or no growth, and even less development—as in many parts of unhappy Africa—the “condition of man” still is “a condition of war of everyone against everyone.”

### **Asia-Pacific between peace and turmoil**

I would locate most of Asia-Pacific today in the “zone of peace,” with some areas still in a “zone of turmoil.”

Not all peoples in Asia-Pacific have entirely escaped poverty, the fear of violence or the reach of arbitrary governments.

Nor have our leaders resolved the contradiction between the interdependence required by the regional economy and the narrow, old-fashioned nationalism that some see as necessary for binding together their plural societies.

But the vigorous growth and meshing together of our economies—and the slow but, to me, inevitable homogenization of our politics—these enable us to hope the time will soon come when our Asia-Pacific countries, too, enter the zones of peace—when our mutual security will depend not so much anymore on arms and alliances as on peaceful commerce and integration in the Asia-Pacific community.

In one crucial way, the Philippine concept of national security must differ from your own. In much of Southeast Asia, the Philippines included, internal weaknesses in the form of poverty and social inequity must still be overcome.

During the Cold War period, these weaknesses—because they breed urban unrest, insurgency and separatism—had been even more dangerous for the Philippines than any outside threat.

### **An honorable peace to all our dissidents**

This is why one of the first things my Government did—when it took office in mid-1992—was to offer an honorable peace settlement to our military mutineers, Communist insurgents and Muslim secessionists.

And that is why we define national security more in terms of political stability, economic development and social cohesion.

Only now—with the bipolar superpower balance replaced by an even less stable configuration of big-power relationships—only now—with our economies growing steadily—only now do we in Southeast Asia have the leisure to rethink our security concerns.

And nowhere is this rethinking going on more seriously than in my country—where, until China encroached on Mischief Reef in our Kalayaan (or “Freedom”) group of islands, we had believed, mistakenly, the post-Cold War regional environment would give us the breathing spell to deal with our problems at home more effectively.

### **Role of the great powers**

The regional environment remains unsettled because the four big powers have yet to clarify their interests and intentions. A balance has yet to be established among the United States, China, Japan and Russia in Asia-Pacific.

The lingering ideological enmities in the Korean peninsula—still in the wintry grip of the Cold War—could alter the entire security equation in our region.

China’s intentions in the South China Sea and its commitment to the United Nations Convention on the Law of the Sea—how a new Russia will evolve from the ideological ruins of the Soviet Union and how Japan can turn into a truly self-reliant nation in defense matters—these too remain unclear.

There is an inherent anomaly—similar to the old Allied effort to keep apart the two Germanys—in today’s Japan remaining a strategic client of the United States. This can only fan an unhealthy kind of nationalism in a nation acutely aware of its political uniqueness and economic power—increasing the danger that their bitter disputes over trade would spill over into their security relationship.

Perhaps it is time its friends, like us, encouraged Japan to take on a political role in the world compatible with its economic power.

Like Australia, the Philippines supports—within the context of reforms necessary in the United Nations system after 50 years of its existence—Japan’s bid for a permanent seat in the Security Council.

We see this as enhancing its full integration into the world community. And we are reasonably confident Japan’s political role will be exercised on the side of peace—which Japan needs more than any other great power, because of its worldwide trade and investments; its lack of natural resources, and its extreme vulnerability to nuclear conflict.

### **Integrating China into the Asia-Pacific community**

China’s rapidly expanding economy—the World Bank says it might become the globe’s biggest in 25 years—will unavoidably create serious political and military pressures upon all of Asia, especially Asia-Pacific—even assuming that Beijing made no effort to build its capability to project power beyond its self-proclaimed borders.

How China exercises its political and military clout must concern us all—and none more so than we Southeast Asians, who are its closest neighbors.

(The opposite possibility—of China’s economic failure—is, if anything, even more alarming.)

The allies in Western Europe solved a roughly similar problem by integrating postwar Germany into a European Union. So must we endeavor to integrate China into the Asia-Pacific community—economically through APEC and politically through the ASEAN Regional Forum—if we are to have enduring regional stability.

But, for the moment, uncertainty characterizes regional security. And, understandably, the smaller states are ensuring themselves against these uncertainties by increasing their defense capabilities—a recourse that has led to outside perceptions of an arms buildup in the region.

### **The U.S.: returning to isolationism?**

The most immediate of these anxieties is the widespread fear that the United States will revert to isolationism—which has characterized America’s foreign policy throughout most of its history.

But the tilt of its population away from its Atlantic Coast, the influx of Asian migrants and the weight of its Asia-Pacific economic interests have made the United States more and more an Asia-Pacific player. Thus it must regard as a direct threat to its own interests the military domination by a single power of our part of the world.

Since 1898 the United States had located its western strategic frontiers in the Philippines. But now as before the tyranny of distance—the expanse of the vast Pacific—separates it from the rest of the field in Asia.

For this reason, “forward deployment” must remain the core of its political and security strategy in all of Asia and the Pacific Rim.

Forward deployment will not merely enable the United States to effectively deter an East Asian conflict (and intervene in potential flash points well beyond). It also supports the strategic tradeoff Washington proposes—which is that East Asia embrace the United States as an economic partner—to ensure its continued strong influence in the security environment of Asia-Pacific.

We of the Philippines have no problems with this proposition—that East Asians show to Americans that the United States can share in Asia-Pacific prosperity—since we do not regard economic competition as a game of winner-take-all nor a zero-sum contest. On the other hand, our view is that a win-win situation can ensue, with long-term benefits for all.

### **The issue of prepositioning**

On the issue of prepositioning American matériel, no large ASEAN country has offered forward-basing arrangements to the U.S.—although anxiety over the withdrawal of the U.S. military from the Philippines had been widespread when this took place in 1992.

Singapore alone hosts some U.S. naval facilities, but both Malaysia and Thailand have refused Washington’s proposals for prepositioning.

In my view, this caution arises partly from a lesson remembered from the colonial period. Every Southeast Asian culture has a variant of the Malay proverb, “When elephants fight, the mousedeer between them is killed.”

But it also results from an appreciation of the opportunity that the post-Cold War security environment now gives Southeast Asia—to become the nuclear-free “zone of peace, freedom and neutrality” that ASEAN envisions.

Under this reasoning, the dismantling of land-based American naval and air forces removes a potential provocation to ASEAN’s giant neighbor—and invites China to live-and-let-live with its Southeast Asian neighbors. Meanwhile, even the reduced U.S. military deployments close to the ASEAN region are a counterweight enough to keep regional security and stability in balance.

Many strategic thinkers and analysts say that, if Beijing should continue encroaching on the South China Sea, then this happening might accelerate deeper security cooperation among the Southeast Asian countries—and between them and the United States (and Japan as well).

### **A Chinese mellowing on Mischief Reef**

But, for the moment, the ASEAN countries are betting that interdependence and mutual benefit can preempt the rise of old-fashioned political antagonisms.

This optimism is confirmed by our own Philippine diplomats—who discerned a Chinese mellowing over their territorial claims on the South China Sea at the yearly ASEAN get-together in Brunei Darussalam in late July.

The Spratlys remain the most volatile issue in Southeast Asia, now that we have put the Cambodian problem behind us. Nearly a quarter of the world's maritime freight passes through this disputed island group—and to which the Philippine mainland is the closest among the claimants.

Chinese officials continue to insist on their country's "indisputable sovereignty."

But they now declare their country's readiness to approach territorial disputes and maritime rights and interests on the basis of international law—including the United Nations Convention on the Law of the Sea—and that the issue could be discussed in China's meetings with ASEAN, consistent with the 1992 Manila ASEAN Declaration.

Only last week, in Manila, Philippine and Chinese senior officials agreed on a code of conduct in the South China Sea—pledging both sides to resolve territorial disputes peacefully and without the use or threat of force.

Both countries also agreed to cooperate—bilaterally and eventually with others concerned—to protect the marine environment; engage in antipiracy, marine research, search and rescue operations; and other such measures, which would not only advance the welfare of all but also build confidence among the claimants.

We both made a special commitment to the conservation of marine resources and the freedom of safety and navigation.

We both agreed to convene expert meetings to discuss the legal bases of our respective claims to sovereignty and also to explore modes of cooperation in fisheries and other productive endeavors.

### **Role of the middle powers**

Although the Philippines continues to insist that Chinese personnel and semipermanent structures have no business being on Mischief Reef—and the Chinese continue to assert their right to be there—our two sides agreed to continue discussing that specific situation—particularly within the context of our proposed cooperative activities.

Certainly the atmosphere, at least, is better than what it was six months ago.

We have suggested to the Chinese to consider the value of both bilateral and multilateral talks—with the other claimants and within the ASEAN Regional Forum—seeing that one-on-one dialogues and group discussions support each other in resolving disputes of this sort.

And we agree, as you do, that our best approach to China is not by "containing" it in the Cold War manner but by drawing it into the network of collaboration that links our own countries—by our having a special care for its culture—and by showing the Chinese people what they can gain by working harmoniously with their neighbors in Asia-Pacific.

Let me now turn to the role of the middle powers in Asia-Pacific.

Australia and the ASEAN states have shown that the middle powers need not be passive spectators—nor mousedeer—at the interplay among the great powers in the region.

We have both shown that those of us in the middle can be active and significant players—if not in economic and military might, then in the power of ideas and in the area of moral persuasion.

We of ASEAN acknowledge the quality of Australia's initiatives in the former Indochinese states and in APEC itself; and Australia's role in setting up the ASEAN Regional Forum.

By strengthening our own linkages and pooling our own talents, capabilities and resources, we can have a strong voice in crafting the future of Asia-Pacific.

In every regional council, we must speak for moderation, fair play and mutual respect.

And cohesive action begins with a recognition of the community of our strategic interests.

This recognition that the middle powers must band together impelled Vietnam to join ASEAN last month. We now expect Laos and Cambodia to join our grouping formally within two years—and recent events in Myanmar enable us to hope ASEAN can complete uniting the natural cluster of 10 Southeast Asian countries by the year 2000.

### **Doing things in the ASEAN way**

ASEAN's negotiating principles of consultation and consensus—of *musjawarah* and *mufakat*—have already become the recognized standard operating procedures for both APEC and the ASEAN Regional Forum.

In deciding to build political trust first—rather than coming to grips immediately with specific disputes—in working slowly, incrementally and informally but steadily—keeping in mind that the process of reaching an agreement is important in itself—both APEC and the ASEAN Regional Forum have gained a flexibility and continuity absent from, say, the European Community.

This kind of decision making is inevitably slow, subtle and indirect—but I myself believe it produces agreements that are unforced, nonconfrontational, virtually self-policing and enduring.

### **Prospects for cooperation in APEC**

APEC and the ASEAN Regional Forum complement each other perfectly.

If APEC is to realize its potentials, our countries must first of all keep the peace among ourselves. Any explosion of violence—in any part of Asia-Pacific—will burst the bubble of stability that keeps its “economic miracle” going.

Alternatively, even if the military balance holds, it will be easy for unrestrained economic competition to degenerate into beggar-my-neighbor policies; for greed and speculation to ruin our interconnected markets.

The two groupings together ensure the continuing presence and forward engagement of the United States in the region. They can help defuse the Washington-Tokyo trade conflict, integrate China more expeditiously into the Asia-Pacific economy, and create a role for Japan as a stabilizing force in Asia-Pacific.

## **AUTHORITARIANISM AND DEMOCRACY IN EAST ASIA**

Let me now turn to the question of authoritarianism and democracy in our region.

Asia-Pacific's vibrant growth and its arrival at centerstage have attracted widespread interest and concern. Everywhere I traveled in Western Europe during the past ten months, thoughtful Europeans asked me:

Will Asia-Pacific develop in a way different from that of the West?

Is there an Asia-Pacific mode of democracy different from that of the West?

And (as we Asians assert with increasing self-confidence) does the West really have anything to learn from Asia-Pacific?

Let me try some short answers to these probing questions—which I know are also being asked here—before I finish up with an update for you on what my Government is trying to do at home.

### **Giving ordinary people a stake in development**

My own view is that Asia-Pacific's growth is unique—not because it was organized by authoritarian governments but because it gives ordinary people a stake in their country's development.

To me, it is not growth rates that the Asia-Pacific's economies have attained that are impressive. Other developing countries—the best example is Brazil under authoritarian rule between 1932 and 1979—have grown as much and for as sustained periods.

What to me is impressive about our region's growth is the way our countries involve the masses of our peoples in the collective effort to eradicate mass poverty, ease income inequality and encourage initiatives for greater political liberalization.

By the World Bank's estimate, mass poverty declined during the period between 1970 and 1990 from 35 percent to only 10 percent in East Asia overall—despite a 40 percent increase in the region's population over those 20 years.

Of course, there are those who insist the developing countries of Asia are not going to be modernized following the methods of the West. There are those who insist Asians will prefer to be ruled by authoritarians who make the economy grow rather than by democrats who can't say "no" to special interests.

But this kind of cultural relativism is being refuted by middle-class activism from Beijing to Yangon to Manila. Almost everywhere in our region, people are giving up their comfort and tranquility—and sometimes staking their liberty—in the belief that there is something more to life than an unending spiral of individual gratification.

I am inclined to agree with the political economist Francis Fukuyama, who argues that "as society becomes richer and more secure, people become free to seek nonmaterial goals like recognition of their status and political participation."

### **Is there an Asian mode of democracy?**

To the question: "Is there an Asian mode of democracy?" I would reply that any government limits its effectiveness by putting its people into a straitjacket—wherever it is practiced.

All complex societies—whether of the East or West—are best ruled increasingly by conciliation and consensus—if society is to become both free and orderly.

And to the extent that countries accept these methods of political rule, then to that extent will their political cultures eventually converge.



The differences between them arise from the civic values that specific cultures prize—and also from the self-conscious efforts that Asia's late modernizers are making, to avoid the mistakes the earlier modernizers in the West had made—for instance, in failing to restrain the egotism of individualist capitalism, and in allowing family ties to deteriorate.

To the extent that Asia-Pacific states are able to mitigate these failings, then the rest of the world has something valuable to learn from them.

To me, what matters most is that we develop some tolerance for differing realities: that we all become less quick to measure other peoples by the political standards we set for ourselves.

Our own trials in the Philippines—which, as you know, included a long spell of strongman rule from late 1972 until early 1986—have persuaded us to modernize the “hard way”—accepting the so-called restraints and handicaps of a democratic system which other East Asian governments need not accept.

### **Developing as a democracy**

It is easy to belittle our representative system—but ordinary Filipinos do put their faith in it. Our kind of democracy might still be miles away from Westminster's, but our political system already passes the “bottom-line test” for democracy. We can change our rulers according to a constitutional electoral process, without recourse to violence and bloodshed. The rule of law and the sanctity of human rights are enshrined in Filipino culture and the Constitution.

Because we mistakenly tried to protect our industries from foreign competition three or four decades ago, now we know we must enter the mainstream of global commerce. While we mistakenly equated political nationalism with economic self-sufficiency in the past, now we realize we must take part in the vigorous life of the Asia-Pacific economy.

Now we are aware our sustainable development largely depends on our faith in ourselves, the competitiveness of our industries and the productivity of our people.

We are reforming our economy—just as you are doing here in Australia—to spur its competitiveness and strengthen our export industries.

We started by removing the barriers—erected over these past 40-45 years—against foreign investment and multinational industry. And we are leveling the playing field of enterprise by dismantling the cartels and monopolies that had dominated the closed economy.

We have deregulated telecommunications, air, sea and land transport—and privatized many of our public corporations.

Most recently we opened up banking—which had been closed to non-Filipinos since 1948—and the insurance industry. Among the first ten international banks from Europe, America and East Asia that have been allowed to operate branch banks is your own ANZ Banking Group.

### **Opening up the Philippine economy**

Just before coming here, I approved a tariff reduction program that accelerates our economy's outward orientation. And I have asked our legislature to repeal the last remaining laws—some enacted almost half a century ago—that still restrain economic growth and penalize Filipino consumers.

Social reform we have made the centerpiece of Government's agenda—so we can fight poverty more effectively and pull out the root causes of dissidence and criminality.

Structural reforms are now taking hold because they result from a new spirit of cooperation between the Presidency and Congress. A year ago, my party entered into an unprecedented coalition with the main Opposition grouping—unprecedented indeed in terms of our presidential system and political culture.

Our coalition partners and we agree that neither stubborn courage nor ideological loyalty is the democratic reformer's greatest virtue.

In the Philippine context, it is the combination of creative problem-solving, creative determination and creative patience that works. It is the willingness to settle (in the meantime) for limited political goals that counts, while continuing to focus on a shared vision of a higher quality of life. This is the comparative edge we have been able to forge to win the future.

### **TOWARD A COMMUNITY OF ASIAN NATIONS**

Finally, let me tell you about “SEA 10”—Southeast Asia's impulse to unification, now that the ending of the Cold War has given it command of its own fortunes. More and more of our thinkers agree that none of our ten countries can stand up separately to the intense competition of the global economy and the power politics that might yet embroil the Asia-Pacific of the future.

Only unification gives us a fighting chance to face outside pressures and to shape our future according to our collective aspirations. Some form of closer political association may therefore be our logical next step, once our immediate goal of SEA-10 is put together.

But moving toward that higher unity will still take all the political will, all the collective sense of purpose, all the idealism of Southeast Asia's leaders. And the reason for this is that our countries will not benefit equally from unification at the start. This venture, therefore, will succeed only if, from the beginning, all our countries adopt as their own the interests of Southeast Asia as a whole.

#### **Regionism—the alternative to anarchy**

This idea—that there is a regionist motive higher than the national interest—we all need to cultivate if we are to find an alternative to the anarchy of the nation-state system; if our Asia Pacific community is to deal successfully with problems that are incapable of national solutions.

Take the protection of the environment and the wise use of natural resources. Because environmental protection is a public good which, once available, benefits everyone—individual countries will have no incentive to expend the resources needed to ensure it—unless we all begin to cultivate—in the regional community—the kind of civic responsibility that we inculcate among our own peoples.

And economic interdependence—if it results only in development unequally distributed and enjoyed—will merely sharpen the differences between our haves and have-not states—and generate the very instability we seek to avoid.

For 500 years Asia-Pacific was a region that things were done to or done against. Now it is making its own history—and imprinting its works in the annals of mankind.

The centenary of Australia's own nationhood follows closely that of our own 100th anniversary of the Declaration of Philippine Independence in 1998. And we are pleased to note how determined Australia's leaders are to locate this country in the East Asian hemisphere or what I would prefer to call (because it is the more comprehensive yet more precise definition) “Asia-Pacific.”

Let us—two peoples together—work to ensure that the dynamic regional history we and the others have started to create transcends the blood and bitterness of the past—and brings us to a luminous time of peace and plenty that will endure a hundred times a hundred years.

*Source:* **Presidential Museum and Library**

Ramos, F. V. (1996). *Our time has come : the goals we set ourselves to obtain for our people are now within our reach*. [Manila] : Friends of Steady Eddie.

**Speech of President Ramos upon the acceptance of an Honorary Doctorate in Laws conferred by the University of Melbourne on the occasion of his State visit to Australia**

**Speech  
of  
His Excellency Fidel V. Ramos  
President of the Philippines  
Upon the acceptance of an Honorary Doctorate in Laws conferred by the University of Melbourne on the occasion of his State visit to Australia**

[Delivered at the Parkville Campus, University of Melbourne, Melbourne, August 21, 1995]

**Developing  
a democracy**

**as**

I THANK this great institution of learning for conferring upon me this high honor. This I gladly accept in the name of my countrymen and for our beloved Philippines.

The citation recognizes what my people and my country have achieved and are doing today—to bring democracy, education and development to our land. By this you also affirm the sense of kinship between Australia and the Philippines as nations inhabiting the same Asia-Pacific region and espousing the same ideals of democracy and freedom.

**The University of Melbourne and Asia**

We are aware of what the University of Melbourne has been doing to foster greater understanding between Australians and Asians, and to deepen consciousness in Australia of its place and role in the Asia-Pacific region.

Your doors have been opened to many students from Asian countries, including the Philippines.

The introduction of Asian languages in the University is also worthy of mention. I will only point out that your Asian Language Room could be further enriched with the inclusion of the Filipino language.

In these activities, the University of Melbourne reminds us of a sometimes forgotten fact: that relations between peoples are not only spun by governments and their foreign service. They are especially fostered by our institutions of learning, which have been connecting even before there were nation-states.

I will therefore reply to this high honor by telling you about the journey of my people and my country—from the womb of empire to independence, from the years of crisis and decline to the present time of growth and optimism.

There used to be a popular caricature of the Philippines—fashioned by Filipinos themselves and popularized by the media—that we faltered so long as a nation because we are the product of “350 years in a Spanish convent and 50 years in Hollywood.” The heady mix of religion and fantasy—it is suggested—made us confused.

**The meeting of East and West**

A more generous reading of our history would say that we are the product of the historic meeting of East and West. Throughout our history, the Philippines stood at the confluence of Islamic and Christian influences, of Eastern and Western cultures.

From the fount of Western civilization, we imbibed beliefs in human dignity, freedom, justice and democracy.

From our Asian location and heritage, we have learned much of what is distinctive in Eastern civilization—the importance of family, culture and community.

The messianism of our early colonizers—the Spaniards—made the Philippines the only Christian nation in Asia.

The thrust of our second colonizer—the Americans—was secular. On a base of mass education, the Americans built on the Philippine Archipelago a representative democracy unique in colonial Asia.

From such rich and varied beginnings, we became a free republic with great expectations. But our story has instead been a striking mixture of achievements and disappointments. We did not automatically become, as America hoped, democracy's showcase in Asia. Neither did democracy immediately bring progress and development as our people wanted.

For this there are many reasons—not least our 20-year immersion in authoritarianism, which squandered away the early gains of our democracy; the Cold War, which made our country a troubled battleground of ideologies; and the delusion of equating economic protectionism with economic self-sufficiency.

But after four decades of false starts and false hopes, we are finally turning things around in our country. Today, we know we have entered the mainstream of global commerce in order to develop. Today, we are a nation on the move to reinvent itself.

That reinvention is not just the rhetoric of high aspirations. We have had three years of accelerating growth, and this year we should exceed 6 percent growth. More important, the long-term outlook is good.

*Time* magazine has commented: “A new era has clearly dawned . . . signs of the turnaround are everywhere.”

For its part, the World Bank has observed: “The Philippine Government has made considerable progress during the last three years in setting the foundation for sustained and broad-based growth over the longer term.”

### **Philippine democracy**

We Filipinos would be the last to say that our struggle for modernization is won. We still have a long uphill road to travel.

Nonetheless, there are important lessons already worth examining in the Philippine experience.

This may surprise some of you, but the most suspect of ideals today in our part of the world is the demanding ideal of democracy. There is a belief that democracy and economic growth are incompatible in developing countries—principally because our East Asian neighbors have succeeded or are succeeding in modernizing by following an authoritarian course.

Democracy is suspect because its exuberance sometimes generates political instability, which is inimical to economic growth. The separation of powers in government—which is a canon of democratic theory—is regarded as a needless hindrance to the making of public policy.

I do not know how this argument can stand the rigors of analysis by political and social scientists here at the University of Melbourne. If dictatorial rule had succeeded in lifting up some societies, many more have regressed under it. We Filipinos should know. We passed that way ourselves—to our sorrow.

The so-called quarrel between democracy and authoritarianism in Asia seems to me misplaced.

### **The glue to social cohesion**

In my view, there is no single, unfailing formula for development. Every country must develop according to—and from—its own peculiar conditions and circumstances. In the case of the Philippines, democracy is a given. It is the glue to our social cohesion, and our economic modernization must proceed from it.

We are developing as a democracy—not as an example to boast before other peoples, but because history has so shaped our political culture that any other way will not work with us.

In a sense, this is analogous to Australia's development. In your historic journey, there was no other course that would have worked for you but democracy, for this is part of your heritage.

In the work of governance, the key element, I believe, is not a government's degree of social control, but how it exercises that control. And that depends on the government's motivation—and the capacity and effectiveness of its machinery.

It is clear that Philippine democracy has suffered from many imperfections—not least the fact that our political democracy was superimposed on what was basically an oligarchic economy at the start.

Democracy, we have realized, could never work in our country if it amounted only to a democracy of pressure groups. The Philippine State had to be set free from the importunings of the elite and the monopolistic. The economy had to be governed not by politics, but by markets.

### **Strategies for reform**

Thus we launched over these past three years a comprehensive program of reform—of putting our house in order so that development could take place.

The critical strategies were five:

First, restoring political stability and civil order after the end of strongman rule that lasted for 14 years, from our People Power Revolution of February 1986 to early 1992 and the instability of the transition. We have moved to negotiate a peaceful and honorable settlement with the insurgencies that once racked the country. Crime has been contained. And in three years, we have now successfully held three key elections.

The second strategy was opening the economy to competition—to all who bring in new capital, new knowledge and new efficiency. We have dismantled monopolies and cartels that have disfigured economic activity in the country. And we have brought down tariffs as part of our program to develop global competitiveness in our industries.

The third strategy is enhancing the political capacity of Government—by checking corruption and inefficiency in the civil service and adopting new standards of performance and accountability in our bureaucracy. For we cannot meet the challenge of modernization unless Government can fill its end of managing the macroeconomy, laying the infrastructure for development and providing basic public services.

The fourth strategy is social reform. In a country where 60 percent of the people are poor, you cannot have development unless you secure for all the basic humanities of life. We have adopted a comprehensive social agenda, and one of our most important tools for social change is education.

Finally, as a fifth strategy, we have reoriented our entire diplomacy and foreign relations toward the service of national development. Given the new global economy, we have sought strong ties with neighbors and nations all over the world.

Our role must begin in Asia-Pacific, where we are centrally located. But it also must extend to other regions and continents. And it means active participation in the councils of nations.

## **Poverty and people empowerment**

I shall focus for now on the progress of our war with poverty—for this is where our experience can be the most instructive to other developing societies.

As many Australians know, modernization has meaning only in the Third World if it succeeds in lifting up the common life.

We have had growth before which never trickled down to our millions. The poorest of our poor live in scarcity unimaginable to you here in Australia.

When we began our modernization drive, one in every five Filipinos subsisted on an income equivalent to less than one US dollar a day.

The top 20 percent of Filipino families received 50 percent of total household income; the lowest 20 percent, only 5.

Some 2.3 million workers were jobless as 860,000 men and women joined the labor force every year.

Poverty in our context had meant more than a mere lack of material things. Poverty was also a pervasive pessimism, constant mistrust, a sense of being without social worth.

Our response to this challenge has sometimes been called “people empowerment”—an idea I introduced in 1991 during my campaign for the Presidency.

Since development cannot happen for all our people without their taking part in it, we subscribe to a comprehensive program of people empowerment, not just in the political sense but in terms of people’s livelihood, housing and opportunities for a decent future.

In the struggle against poverty, the familiar answer of different ideologies has often been calls for more government, and more public money committed to the effort.

## **Our richest resource**

While we believe Government is important in leading the way, we submit that the answer must ultimately be located in the human person and in human community. Ultimately, we will uproot the problem of poverty—not by channeling more power and resources to bureaucracies, but by committing these to people and their communities. In short, by empowering them to be productive members or units of society.

This has meant during these past three years the expansion of our programs in education, health services, rural and community development and direct intervention in the most poverty-ridden areas of the country.

Again and again, our experience tells that our people are our richest resource. And this they are proving not only at home but in other lands. At least four million of our people today work overseas, and their skills are highly prized by these countries. Their earnings constitute an incalculable asset for our economy.

One reason for this is mass education. The educational foundations laid by American teachers at the beginning of the century have not lain idle and untended. Education is a value prized by all Filipinos—old and young alike.

As the nature of work has changed—conferring more importance on knowledge—we are in the midst of major reforms to make our education system contribute responsively to our modernization. At each level—primary, secondary and tertiary—we are now addressing the challenge of quality education.

## **Empowering communities**

As important as empowering individuals to fight poverty is the need to empower communities.

Our democracy in the past often was more effective in legislating rights than in enabling the citizenry to use their rights creatively. Thus we granted the vote to illiterates, before we could make our electoral processes foolproof against fraud and money politics.

Today, electoral reforms are one of the major priorities in our legislative calendar.

Meanwhile, through a landmark Local Government Code, we are giving our local communities greater control over their lives by devolving political authority and resources to them. Decentralization is now a cornerstone of Government administration.

In all my years in public service, I have always been impressed by the fact that problems—more often than not—are not national but local. They occur at the level of communities and neighborhoods before they become a national malaise.

Thus our response must be quicker at local level. We must enable individuals and communities to cope.

For me, one of the most cheering things about our recent growth is that economic activity is spread across our archipelago. Manila no longer stands alone as the growth center. There are dynamic growth centers in every one of our 16 administrative regions.

Our country cannot rise beyond the level of the ordinary Filipino's competence. If people empowerment has proven anything to us these past three years, it is that the competence of our people is pretty high.

This transformation taking place in the Philippines has some relevance and meaning even to a country as developed as Australia for several reasons.

First, it means that in the inchoate world order emerging from the ruins of the Cold War, we Filipinos are prepared to account for ourselves and contribute to building peace and progress.

Second, it means that our bilateral relations can now develop much further—especially in the economic sphere—because there are more benefits to realize on both sides.

## **Bearers of values**

And finally it means that we can be the proud bearers and propagators in Asia and the Pacific—including Australia—of the values of democracy and freedom we share.

Democracy, let us not forget, has its incomparable advantages, and one of these has to do with learning.

It is our advantage, not our crutch, that democratic values have grown roots in the Philippines, because with freedom, we can share more in the community of scholarship and learning. With freedom, we can explore and embrace new knowledge without fear. With freedom, we can travel the bridges of knowledge.

Our national hero, Dr. Jose Rizal, also regarded knowledge as indivisible, setting no barriers of race or station in life. He believed that the future of our people and our country lay in educating ourselves and throwing the full light of our intellects upon the great labor of nation building.



In the past, we did not always use these links effectively with the world community of learning to the profit of our country and people. Even the fact that we are one of the largest English-speaking countries in the world was overlooked.

### **The maker of progress**

But that was yesterday. Today, the tide in the Philippines is moving away from failure. We have taken up the burden of reform in our society, faced down the challenges of groups that have always kept us down and released the energies of our millions. And today we stand at the threshold of development.

In honoring me here today, you in this great University have expressed great faith and confidence in our people and our country.

So we will return your generosity by proving in the Philippines the undiminished vitality of democracy and freedom as the maker of progress.

*Source:* **Presidential Museum and Library**

Ramos, F. V. (1996). *Our time has come : the goals we set ourselves to obtain for our people are now within our reach*. [Manila] : Friends of Steady Eddie.

**Address of President Ramos to the Australian Defence Force Academy on the state visit to Australia**

**Address  
of  
His Excellency Fidel V. Ramos  
President of the Philippines  
To the Australian Defence Force Academy on the state visit to Australia**

[Delivered in Canberra, Australia, August 22, 1995]

**Leadership in the new century**

I WAS A CADET at the United States Military Academy at West Point in 1946 when the Cold War began—and I finished in time to serve—as a platoon leader in an infantry battalion of my country’s armed forces—in the Korean War; in the Philippine counterinsurgency campaign against the Communist *Huks* as an Army company commander; and then, as lieutenant colonel in the Vietnam War.

I can truthfully tell you, as Winston Churchill did after returning from the Boer War in 1897: “Nothing in life is so exhilarating as to be shot at without result.”

**Serving the regulation 30 years**

I served the regulation 30 years—and 15 more years in uniform—including helping former President Corazón Aquino win a people power revolution in February 1986 that overthrew a 14-year-old dictatorship.

As Armed Forces Chief of Staff and Defense Secretary in Mrs. Aquino’s Cabinet up to 1991, I helped fight off seven coup attempts by rebellious soldiers who were led by some graduates of the Philippine Military Academy.

Cadet life is the same in any modern armed force—it is work work work; march march march; and yes sir yes sir yes sir. But your careers will be greatly different from mine.

We are on the threshold of a new world, with its new concepts of state power.

The world is less and less a world of “sea-lanes” and “chokepoints”—as it was in the nineteenth century—although geopolitical aberrations, like the Spratlys dispute in the South China Sea, do intrude on our new world order.

In a world of global markets, military strength is no longer needed to acquire or preserve “foreign markets” and “raw-material” sources as it was needed in the age of imperialism.

Today no one really needs to conquer, say, Brunei to obtain its oil. All you really need to do is to exchange \$15 dollars or so for a barrel—which is then handed to you peaceably over the counter.

Having military power is not even necessarily a good way of projecting power in the world. Look what happened to the Soviet Union!

Increasingly, international relations are being moved by the power of ideas rather than the power of arms; by the rule of law, rather than by the force of weapons.

In this part of the world, your country’s leaders, in association with the other leaders in the Asia-Pacific region, are working to make the great Pacific deserve its name, as an ocean of tranquility and mutual benefit.

## **Leadership is a vital quality**

I am sure this is what you yourselves would do—were you in command already, because, as Sun Tzu says, “To win without fighting is best.”

And it is not “win-lose” but “win-win” situations that the Asia-Pacific Economic Cooperation and the ASEAN Regional Forum would bring about—by organizing an Asia-Pacific community that would engage every state on both shores of the Pacific and, eventually, all the islands in between.

Inhabiting such a region of peace, a few of you might—like Alexander of Macedon—perhaps lament not having any more worlds to conquer.

But the truth is that leadership is a vital quality in short supply—a quality needed by every country and all peoples—in peace as in war.

And, whether in military or civilian jobs, you who are cadets today in this academy of leadership will become leaders of men and women in the Australia of the future.

## **There will be other battlefields**

There will be enough Australian and Asia-Pacific battlefields for you to win—wars in which our two peoples can fight side by side: as we fought side by side during the Pacific War, and in both Korea and Vietnam.

These are some of the ideals we must fight for—together.

- We must ensure the post-Cold War world order does not result merely in a resurgence of narrow nationalisms. We must see to it that many small conflicts do not replace the single big one.
- We must stand together against religious intolerance and the oppression of minorities.
- We must guard against environmental degradation and economic breakdown.
- We must overthrow once and for all that old tyrant poverty and its minions, ignorance and inequality, which still oppress so many Asia-Pacific peoples.

Against these age-old ills, none of our countries is immune—none of our societies can say it has conquered and prevailed.

Your basic weapon in fighting these scourges of humankind are the leadership traits you learn here—and every soldier’s commitment to what at the Philippine Military Academy we summed up as “courage, integrity, loyalty.”

And, in Robert Louis Stevenson’s words, your fight against these evils will not be “the less noble because no drum beats for you when you go out on your daily battlefields and no crowds shout about your coming when you return from your daily victory or defeat.”

## **What is leadership?**

But what is leadership? Specifically, what does it mean to be a leader?

I consider myself experienced in the hierarchy of obedience and command—but when I talk about leadership I still go back to the classical texts.

In Napoleon’s Grand Army, we are told, every private carried a field marshal’s baton in his knapsack. This tells us anyone can lead—for as long as he or she is focused on the challenge at hand—and he or she has the guts to get out front, and say, “Let’s go!”

Leadership, says Sun Tzu, is a matter of intelligence, trustworthiness, humaneness, courage and sternness.

Sun Tzu's "sternness"—detached involvement—suggests the leader's obligatory reserve. As Charles de Gaulle, himself a great leader, said, "There is no power without mystery."

A latter-day authority has only three short tests for the authentic leader.

1. Leaders do not accept constraints.
2. Leaders see what followers cannot.
3. Leaders know that human will—human energy, human intelligence and human resolve—can change the way things turn out.

### **Good leaders and bad leaders**

Unfortunately, these attributes do not apply to good leaders alone: they can work for evil leaders as well.

Hitler and Stalin also painted visions for their peoples—visions of their country's supremacy and triumph. Hitler told Germans his Third Reich would last a thousand years. Stalin thought Communism to be the wave of the future

These rogue leaders, during their time, could rally their peoples toward achieving their visions, even at great sacrifice and cost—even their collective ruin.

This is why power by itself is not enough. Power must be tempered by humanism.

The art of war you learn here must also be a lesson in the arts of peace. By understanding the very roots of human conflict, you become skilled in its peaceful resolution.

### **Leadership in a democracy**

The democratic leader brings out the best in his—or her— people. This is what I have tried to do in my country since I became President in June 1992.

I might well have become the Filipino strongman myself—following President Marcos's example—because I commanded the loyalty of the Armed Forces.

I have always believed that to deserve loyalty, one has to give it unstintingly.

During our people power revolution of February 1986, it was the loyalty awarded to me by the chain of command—by junior as well as senior officers, most of them graduates of the Philippine Military Academy—that proved to be our salvation.

These loyalties I had given and received over 45 years as a professional soldier paid off. We staved off one attack after another—because officers simply refused orders to lead their troops against us.

These loyalties given me I would not use for ignoble goals. I resisted those who urged me to take over—and campaigned for President in a constitutional election as an idealistic long-shot.

Any seizure of power without the people's support—even if it gained its immediate goal of overthrowing the tyrant—would merely self-destruct.

As President, my first concern was to stop the fratricidal wars that had cost our country so much in blood and treasure.

By offering honorable peace to our military rebels, Communist insurgents and Muslim separatists in portions of the Philippine South, I moved the conflict from the battlefield to the negotiating table.

Having achieved a measure of political stability, I then launched a program I call “Philippines 2000”—whose guiding vision is the modernization of our economy, its opening to foreign investment and multinational industry, the enhancement of Filipino competitiveness in the global market, and the emplacement of social reform to empower ordinary Filipinos.

To this vision Filipinos have responded enthusiastically.

Our political stability holds until now.

The leader of our military rebels has in fact become an elected senator of the Philippines.

The leader of our Muslim separatists is campaigning peaceably in our southern provinces for autonomy; and the Government has seized the moral high ground in its protracted campaign against the few remaining members of the Communist New People’s Army.

### **Leadership in the 21st century**

As the twentieth century closes, we may be witnessing also the end of the old order.

Security as we know it now involves not only the military—but also politics, the economy and the cohesion of the national community.

The threats we face now include environmental degradation, dangerous drugs, modern plagues like AIDS; computer crime and criminal syndicates.

Technology has also changed the lifestyles of people and, consequently, the environment in which the leader works.

Technology has also changed the way we conduct business, the way we communicate with people, and the way leaders lead. Television has become the primary medium for reaching national constituencies. Information is empowering local communities, and preventing the rise of new authoritarian systems.

Globalization also brings greater political interaction among nations. Globalization of the world economy forces leaders to look to beyond national boundaries—to become sensitive to regional associations and global trends.

Neither the Asia-Pacific Economic Cooperation nor the ASEAN Regional Forum would have been possible in an earlier time.

### **Rise of interdependence**

Increasing interdependence calls on us to reexamine even the dominant ideology of the past 200 years—nationalism—which conventionally sees one’s country as the center of the universe.

Eventually our peoples must shift the reference point of their corporate loyalty from its traditional location in the nation-state to the region as a whole.

Our strategic environment has also changed. The last superpower—the United States—is scaling down its military forces in Asia-Pacific. Regional powers—Japan, China, Russia, India, Indonesia, Australia—are emerging, in a complex relationship.

Against this background, our leaders in the coming century must begin to think of a workable alternative to the isolation of the nation-state system. This will probably make necessary the maintenance of a volunteer force responsible to the United Nations—to preserve peace and save lives in the world’s zones of turmoil.

In places where there has been no or little social and economic development, international relations have really changed little since the Athenians lectured the Melians on *Realpolitik* 2,400 years ago: “The strong do what they can and the weak suffer what they must.”

Now to sum up my message here—as I traveled the long road from cadetship to the Presidency of my country, I have discovered that while “leadership” is an admirable human trait, it is also a state of mind.

Often the leader himself does not know what qualities he possesses until he is put to the test.

Here, in this sheltered life of the Academy, you have the luxury of time—of contemplation. That luxury you will never have in the outside world.

I urge you then to develop your skills to their utmost, developing your leadership qualities with dedication, patience and fortitude.

### **The power of prayer**

Finally—If you should ever find yourself in what Sun Tzu calls “desperate ground”—where you have no other recourse but to stand and fight—then seek the power of prayer.

Just before daybreak on February 24, 1986, when our 250-odd mutineers, barricaded at Camp Crame along EDSA Avenue in Quezon City, awaited attack from a full Marine regiment reinforced by armor and an assault by a helicopter strike wing—after we have said goodbye to one another—each of us sought comfort in our own ways. I myself turned in my solitude to Psalm 91, which I regard as the soldier’s psalm:

I will say of the Lord, “He is my refuge and my fortress, my God, in whom I trust . . . .”

You will not fear the terror of night; nor the arrow that flies by day . . . .

A thousand may fall at your side, ten thousand at your right hand, but it will not come near you.

Now—let me thank the Australian Defence Force Academy for asking me here—and for enabling me to speak before the corps of cadets.

The Philippine Military Academy has a fine tradition, which allows every visiting head of state to grant amnesty to all cadets under punishment for demerits. If this is a tradition also of this Academy, then I should wish to invoke my privilege. If it is not, perhaps there is always a first time.

If you agree, I authorize you to yell.

*Source:* **Presidential Museum and Library**

Ramos, F. V. (1996). *Our time has come : the goals we set ourselves to obtain for our people are now within our reach*. [Manila] : Friends of Steady Eddie.



**Speech of President Ramos at the book launching of Facing the Asia-Pacific Challenge and Launching of the Network for International Competitiveness Speech  
of**

**His Excellency Fidel V. Ramos**

**President of the Philippines**

**At the book launching of *Facing the Asia-Pacific Challenge* and launching of the Network for International Competitiveness**

[Delivered at the New World Hotel, Makati City, August 28, 1995]

**Freeing the spirit of  
Filipino enterprise**

I AM GREATLY DELIGHTED to be here—so that I can thank all of you who have actively supported our economic reforms these past three years.

We cannot yet claim victory for all our efforts. But already we are seeing their first fruits—in the unmistakable signs of our country's resurgence. We have begun to free the spirit of Filipino enterprise from 40 years of overregulation—and opened to our industries the wide world of global information, technology and competition.

But there are still many things we need to do—together.

**Failed policies continue to affect us**

The failed policies of the past still affect our lives—thousands of our people still leave to look for precarious livelihood abroad.

Millions of our farmers and agricultural workers—and their families—continue to live from hand to mouth.

Why are we in this condition—when we Filipinos are supposed to be the finest workers and managers in Asia-Pacific?

Why are we in this condition—when our talent and creativity are the envy of our neighbors?

Why are we in this condition—when a tremendous reservoir of energy lies at the heart of national society—energy that powers a vigorous underground economy and the patient toil of everyday people all over the archipelago?

Why have we failed to transform this latent energy, this God-given talent, these splendid blessings of nature all around us into an irresistible force to burst our chains of poverty?

**Protectionism has stifled enterprise**

The answer is that we have stifled competition and enterprise—by allowing monopolies and cartels to dominate key sectors of the economy.

Some may ask: what do these policies have to do with poverty? The answer is that whenever we place artificial barriers to competition, we tilt the playing field in favor of somebody. And whenever we favor somebody, there is somebody else we must disfavor—somebody else who must pay the costs of the privileges awarded to the favored few.



And when politics—but not markets—decide whom to favor or to prejudice, then those who end up paying the costs are always the poor and the politically powerless—farmers, fishermen, small entrepreneurs; the labor-intensive businesses; and people's cooperatives.

These are the workpeople and the enterprises at the grassroots of society that Government should have favored a long time ago. Instead, Government's policies in the past favored a few large-scale, capital-intensive and urban-based industries—globally uncompetitive companies that have enjoyed monopoly rents and benefits from their dominance of key sectors of the economy.

### **Profiteers from the protectionist regime**

There are still others—even more undeserving—who profited from the protectionist regime these past 40 years. High tariffs on imports made smuggling highly profitable for the clever and well-connected. And the wide discretionary powers public officials had over the fates of industries and business sectors and even tax payments made corruption even more doable and profitable—for both corruptor and corruptee.

Not competitiveness—not talent—not hard work—but political connections and criminal prowess became the main determinants of economic success. In short, the heavy hand of Government made the entire traditional economy a prize of the political spoils system and an object of patronage.

### **Nationalism in the age of global trade**

And why did we make these mistakes?

The short answer is that we mistook shortsightedness for nationalism.

In the 1950s and 1960s we reserved the economy for Filipinos. We closed our economy—looking inward to our small home market instead of outward to the large global market. We followed the same path that led many countries in Latin America, Eastern Europe and Africa to economic ruin— and we achieved precisely the same results.

While we protected our “infant industries” which continued as so-called infants for 40 years, our Asian neighbors exposed theirs to global competition. And competition so toughened them that they were soon penetrating the markets of Europe and North America.

Belatedly we have now seen that protectionism misuses “nationalism”—which in this sense is a narrow, blinded kind of nationalism—for the benefit of a privileged few—and at the expense of the many.

Today we must view “nationalism” in a much broader dimension, in the same way that the majority of regional and global players view it for their national benefit. I say that we must always make integral to Philippine nationalism the spirit of self-confidence in facing up to world competition—in measuring ourselves against the best in the world.

Today's nationalism leads us to expand our foreign linkages—the better to have access to global information, capital, marketing channels, and inputs of the best quality and services at the lowest costs. Only in this way can Filipino enterprises prosper in the new global trading order.

By now the consensus is almost universal that the market and market forces are our best weapons in waging our war against poverty. This much we have learned from our Asian neighbors. This much we have learned from the disasters of Communist central planning.

The most effective way for people to pull themselves up from poverty is through their own individual and collective efforts—through their effective participation in the economy and through equitable sharing of the fruits of growth.

## **Harnessing the power of the market**

For us, that means creating a market economy that is truly free.

We have done much during the last three years to achieve this goal of a truly liberated economy. We have deregulated its key sectors—telecommunications, insurance, shipping, transportation, banking and finance—and liberated components of other important industries—power generation, water supply and steel manufacture.

We have removed the obstacles to foreign investments, and continue to do so. Most recently, we have begun to dismantle the *tayo-tayo* (“we-we”) protective system that had burdened our farmers, exporters, food processors, consumers and many downstream industries for years.

It is because of these—and our efforts to bring down inflation and the cost of capital, to open up infrastructure bottlenecks, and to ensure political stability—that our economy is now moving steadily along the path of growth.

And increased competition has not led to the collapse of Filipino firms. Instead liberalization and deregulation have challenged our corporate giants to shape up; to widen their horizons; to become themselves regional and global players.

## **The tasks ahead**

We have accomplished much. But we need to do a great deal more. We must complete reorienting our economy—to take full advantage of the markets opening up all around us.

We need to work double and triple time—because more than half of all our people still await their liberation from poverty. They have waited too long and endured too much.

This is why I am not inclined to sympathize with those who counsel us to go slow—to those who say we should give long-protected industries more time to adjust to competition.

Over these past three years, we have built the platform for our economic takeoff. Over these next three years, we must broaden the base of participation in the economy—and ensure that all who take part in it share equitably in its fruits.

This is why we are paying special attention to the growth of small- and medium-scale enterprises; to agriculture and agriculture-based industries; and to all those other industries that will create the greatest number of jobs where jobs are most needed.

These are the enterprises that will lift up the common life. These are the enterprises that will harness the energies sleeping at the grassroots of Philippine society. These are the economic endeavors that will bring us to our shared vision of “Philippines 2000.”

## **Responding to the demands of enterprises**

We need to do many things. But the most important task is to complete reorienting our minds and mobilizing our people’s energies to the demands of twenty-first-century enterprise—and the age of the global market.

Those who oppose our reforms—those who try to slow our reforms down—these are cave-people still living in the economic Stone Age. Some of them still regard multinational industry and foreign investment as ideologically forbidden—when even China and Vietnam are aggressively competing for foreign partners to link their economies to the world market!

We must throw away once and for all the baggage of protectionism, of false nationalism, of inward-looking policies that have merely perpetuated our poverty. And we must abandon the defeatist attitude that we cannot compete with foreigners—even in our own home market.

### **Economic reform in a democratic setting**

Three years ago, there were those among us who said democracy would fail in this country—that we need a dictatorship—if we are to straighten out our recalcitrant society and move it to the path of progress.

Now I think we have sufficiently proved the skeptics wrong. We have proved there is a kinder and gentler alternative to authoritarianism—a democratic way—to economic growth and social development.

But we must remember we are still only halfway through the process. Yes—if we stopped right here, our economy would probably continue to grow at 5-6 percent over the next few years. But it is more than merely growth we are after.

We want the millions of our people who have been living in poverty to rise up now, to win back the control over their lives that the failed policies of the past had taken away from them.

We want to give our marginalized countrymen the chance to free themselves—through their own hard work and their native talent—from their age-old bondage.

I am pleased to see gathered here our leading institutions and organizations—representing a wide array of sectors—summoned by a shared vision and a common purpose.

I am happy to see the Center for Research and Communication—with Dr. Esteban, Dr. Estanislao and Dr. Parreñas here—and I congratulate you for founding the University of Asia and the Pacific.

I am also pleased to note the participation of scholars from the Asian Institute of Management, the Philippine Institute of Development Studies, and the University of the Philippines School of Economics—as well as top people from the Management Association of the Philippines, the Philippine Chamber of Commerce and Industry, the Makati Business Club, the Federation of Filipino-Chinese Chambers of Commerce and Industry, and our country's most competitive corporations—in the conference that produced this book, *Facing the Asia-Pacific Challenge*.

Your effort to shape a secure place and an active role for our country in the Asia-Pacific community manifests a new way of thinking, planning and acting sorely needed in the whole of national society.

### **Blazing the trail to prosperity**

I see your initiative to make that vision a reality—through the network for international competitiveness—as a proof of the vigor and creativeness of our democracy.

I regard your initiative as an eloquent show of unity—among diverse individuals and institutions—to attain our aspirations as a people.

Let me now challenge you to take up the lead in accelerating our economic and social reforms. Let me challenge you to blaze a trail to prosperity that will be sustainable—to kindle the spark of solidarity and teamwork—among all our people.

Let me challenge you to dedicate all your time, your talent and your energy—to this crusade we have begun—to win for our people the good society they deserve—and for our nation to regain a respected and enhanced position in the world community.

*Source:* **Presidential Museum and Library**

Ramos, F. V. (1996). *Our time has come : the goals we set ourselves to obtain for our people are now within our reach*. [Manila] : Friends of Steady Eddie.

**Speech of President Ramos at the closing of the 12th Board of Director's meeting and International Media Forum of the Confederation of Association of Southeast Asian Nations (ASEAN) Journalists**

**Speech  
of  
His Excellency Fidel V. Ramos  
President of the Philippines  
At the closing of the 12th Board of Director's meeting and International Media Forum of the Confederation  
of ASEAN Journalists**

[Delivered at Malacañang, August 29, 1995]

**One voice for  
Southeast Asia**

OF YOUR COUNTERPARTS in Hamlet's Denmark—the wandering actors who came to perform at Elsinore—Shakespeare's melancholy prince warned the king's minister to treat them with the utmost courtesy because:

“ . . . After your death you were better having a bad epitaph than their ill report while you live. . . . ”

In the same spirit, I have asked my own staff to take every care with you—lest your reports when you get back home belie forever all our claims to Filipino hospitality.

I am pleased to tell you that now, in the middle of my six-year term, we have put our house in order—and restored our economy to the path of growth.

**A working democracy**

And we are developing as a working democracy—not as an arrogant example for other peoples to follow, but because history has so shaped our political culture that any other way would not so easily work for us.

In a word, we Filipinos are ready once again to play a more active role in regional cooperation—and to account for ourselves more significantly in the world.

In our security concerns, there is substantial convergence of views among ASEAN countries. The Philippines, like the others, believes that security has many dimensions: it involves not only the military but the economy, diplomacy and politics as well; and that economic growth and interdependence, in the context of the new world trading regime, by themselves promote regional stability.

Over these past two decades, we have seen how economic progress, together with human development, can make countries not only richer but safer.

We have seen how the force of arms—which had for so long arbitrated relationships between nations—can give way to the more benign regime of mutual benefit. In fact, for the richest and most settled portions of the globe—the democracies of Western Europe and the Americas—war has become outmoded as an instrument of competition.

**You are the voices of ASEAN**

But the vigorous growth and meshing together of our national economies enable us to hope that the time will soon come when all of Asia-Pacific, too, enters the zones of peace—when our regional stability will depend not so much anymore on arms and alliances as on peaceful commerce and integration in the Asia-Pacific community, particularly in Southeast Asia.

We in ASEAN today belong to a region with a combined population of 400 million people—spread over more than three million square kilometers of mainland, islands and water.

ASEAN therefore has great potential force—economically, politically and culturally—to speak as one strong voice in deciding the future of Southeast Asia.

That our countries should strengthen their linkages and pool their material and moral resources is crucial at this time, when the great powers are trying to shape—each to its own design the future of Asia-Pacific, including Southeast Asia.

We cannot remain passive spectators to this interplay of the great powers. We can—we must—be active players in deciding the future of our home region. And we can be active players—if not in economic and military might then in the collective power of ideas, of moral persuasion and of dynamic people power.

In the realm of ideas and moral reasoning, you—as our intellectuals and journalists—are the voices of ASEAN. You must make sure you speak as one voice when you speak of the needs, labors and aspirations of the peoples of ASEAN and Southeast Asia.

At every regional council—at every opportunity—you must always speak also for modernization, fair play and mutual respect.

And cohesive action begins with a recognition of the community of our strategic interests.

This early we can all take pride in the way ASEAN already is shaping the future of the Asia-Pacific.

As you know, ASEAN's negotiating principles of consultation and consensus—of *musjawarah* and *mufakat*—have become the operating principles of both the Asia-Pacific Economic Cooperation (APEC) and the ASEAN Regional Forum.

### **Journalism on the threshold of a new century**

In deciding to build political trust first—rather than coming to grips immediately with specific disputes—in working slowly, incrementally, informally—keeping in mind that the process of reaching an agreement is important in itself—both APEC and the ASEAN Regional Forum gain a flexibility and organizational strength absent from, say, the European Union.

Today, on the threshold of a new century and a new millennium, journalism in ASEAN has become an exciting profession because dramatic and significant changes-political, economy cultural-are taking place in the region

The recognition that our countries must hang together impelled Vietnam to join ASEAN only last month. We now expect Laos and Cambodia to join our grouping formally within two-three years. And recent events in Myanmar enable us to hope ASEAN can complete uniting the natural cluster of 10 Southeast Asian countries by the year 2000.

In your everyday work, you must not merely reflect the temper—and ferment—of our times. You must actively encourage our countries' movement toward unity, because only a unified Southeast Asia can become a vital force for maintaining the stability and vigor of the region.

As ASEAN journalists, you are the transmitters—the broadcasters, the messengers—of these Southeast Asian virtues.

To my mind, you have three basic tasks, which your peoples expect you to carry out.

Your first task is to promote trust, friendship and cooperation among our peoples who are just rediscovering the roots they share—of blood, language, culture and aspiration.

Your second task is to help our leaders, diplomats, business-people, professionals and ordinary Southeast Asians cooperate in attaining peace, prosperity and social justice for our peoples and for the region.

Your third task is to relate the events, trends and developments in Southeast Asia to the mainstream of human experience; and the aspirations of Southeast Asia's peoples to the larger hopes and visions of mankind.

### **Tolerance for differing truths**

And your responsibility is great—because people have an implicit trust in the media—and you can readily help shape both national and regional events.

This responsibility you hold I cannot overstate—because I know the impact that the media in this country have on Government day after day.

It is well known that our political systems here in ASEAN differ widely in form—if not in substance. To me what matters most is that we develop some tolerance for differing truths and realities: that we all become less quick to measure other peoples by the political standards we set for ourselves. For 500 years Southeast Asia was a region that things were done to and done against. Now Southeast Asia is making its own history—and imprinting its deeds in the annals of mankind.

As the chroniclers of this regional history, you must work to ensure that it transcends the bloody struggles and bitterness of the past—and brings us to a time of enduring peace, sustained prosperity and social equity for all our peoples.

*Source:* **Presidential Museum and Library**

Ramos, F. V. (1996). *Our time has come : the goals we set ourselves to obtain for our people are now within our reach*. [Manila] : Friends of Steady Eddie.

## **Speech of President Ramos at the National Information Technology Summit**

### **Speech of His Excellency Fidel V. Ramos President of the Philippines At the National Information Technology Summit**

[Delivered at Malacañang, September 4, 1995]

#### **Our to the future**

#### **highway**

I COMMEND YOU for organizing this National Information Technology (IT) Summit. I have a feeling we are making history here. These days, of course, almost anything having to do with information technology is history-making.

But this meeting is truly special and truly significant. It marks the first time the information technology industry and the Philippine Government got together to make joint decisions and commitments to develop information technology—and so help our country leapfrog into the future.

#### **Going global**

I congratulate you of the private sector on your decision to form the Information Technology Foundation of the Philippines, and to work closely with the National Information Technology Council, whose two chairmen are the Executive Secretary and the Director General of the National Economic and Development Authority.

This makes it possible for us to think and act as part of a global network—to give our Philippines the capability to do business effectively with the rest of the world.

The Philippine information infrastructure you are building together will be our highway to the future.

This is the surest sign we have of the Filipino's resolve to take full part in the global information society. Nothing has so changed the character of societies and cultures around the world over the past decade as much as the freedom and the abundance of information. This was made possible by new technologies in computers and communications—for which more startling applications are being discovered every day. The global information technology market had grown to US\$430 billion by 1994—with information technology investments, trading and consumption growing fastest in the Asia-Pacific.

#### **The information revolution**

This information revolution has had profound—and liberative effects on politics, economies and the whole of society. Most of all, it has helped to promote democracy around the world—by empowering ordinary people, by opening their eyes and their minds to the full possibilities of the world they live in.

My Administration constantly promotes the principle that information is the principal currency of democracy. Recall our People Power Revolution at EDSA in February 1986, which restored democracy in our country: our main weapons then were information and communication.

The information revolution has encouraged new ways of thinking about old problems. It has promoted greater innovation, efficiency and productivity—not only in products, but in organizations and in the way ordinary people do things.



As Patricia Seybold—an internationally known networking expert—suggests, no technological innovation can succeed without simultaneous change in organizations. “If we are going to make companies more responsive, more flexible and more viable in the global information economy,” Seybold says, “then we have to teach our organizations to learn. For better or for worse, that responsibility is falling squarely on the shoulders of the information technologist.”

### **A leapfrogging strategy**

Of the greatest importance to countries like ours is that information technology has produced exciting industries based largely on human skills, ingenuity and resourcefulness. This may even make it possible—as some experts have suggested—for the Philippines to adopt a leapfrogging strategy—to bypass the conventional “smokestack” industrialization and plunge directly into the service industries of the Information Age.

This strategy I fully subscribe to and support.

But we are not alone in this enthusiasm. We cannot be alone in formulating globally-competitive strategies for developing information technology. All throughout the Asia-Pacific, national economies and societies are gearing up to seize the same opportunity. Not only must we stay in step; we must aim to take the lead—lest we be left behind again.

As the global economy becomes more highly integrated and more competitive, small- and medium-scale corporations will begin to possess a clear advantage—an apparent paradox first observed by the futurist John Naisbitt.

This is why we are emphasizing the development of corporations of this size. The first APEC Leaders’ Summit in Seattle in November 1993 has in fact approved my proposal to make the Philippines the permanent site of the Asia-Pacific Economic Cooperation Center for Training and Technology Transfer for Small- and Medium-Scale Enterprises.

### **A symbiotic relationship**

The development and economic growth of information technology have a symbiotic relationship.

In its many forms and applications, information technology is a vital part of the infrastructure of economic growth. And you—as information technology entrepreneurs—have the leading role in creating opportunities for us in this synergistic link between information technology and national development.

To reinforce this connection, I constituted the National Information Technology Council through Executive Order 190 on July 19, 1994. The Council brings together Government and the private sector in carrying out the national information technology plan in support of our shared vision of Philippines 2000.

I have reviewed the progress of the Council’s work and approved its key strategies.

First, we will push information technology as a means of enhancing the global competitiveness of our basic industries. The ongoing liberalization of the telecommunications sector will be a key factor in this effort. So will the use of information technology in Government—through such programs as export promotion—and in national industry through such technologies as electronic data interchange.

Second, we will develop the information technology industry’s export potential as much as we can. Our talent pool of bright and creative young people gives us a comparative advantage in this field. I see no reason why we cannot carve a niche for ourselves in the knowledge industries.

### **What we need to do**

Of course, doing so will not be easy. Some imposing obstacles stand in our way—for one, our shortage of qualified professionals in information technology. To address this, I hereby repeat my directive to the Department of Education, Culture and Sports, the Technical Education and Skills Development Authority and the Commission on Higher Education to place greater emphasis on information technology and knowledge-based programs at every level of our education system.

We should also encourage more investments—both public and private—in research and development on the industrial uses of information technology and on its commercial products.

To make Philippine industries fully competitive, we must take two decisive steps.

The first of these is to automate all forms of commercial transactions.

The second is to undertake well-planned activities to build up—bit by bit—our own information highway: the Philippine Information Infrastructure.

The joint decisions and commitments we are making today are crucial first steps in making the Philippines a key player in information technology and in the knowledge industries in the Asia-Pacific.

### **The big difference**

I now approve formally the resolutions adopted by this summit and I direct the National Information Technology Council—through its Chairman, the Executive Secretary—to ensure the immediate implementation of these resolutions.

In closing, let me say that although information technology has become the most powerful technological tool of this decade—and of the coming century—in the end, it will still be people working together creatively—who will make the big difference.

Information technology will work. It will advance Philippine progress—and this progress will be guided by how closely and how earnestly we ourselves work together—for the purpose we share—which is our people's benefit.

*Source:* **Presidential Museum and Library**

Ramos, F. V. (1996). *Our time has come : the goals we set ourselves to obtain for our people are now within our reach*. [Manila] : Friends of Steady Eddie.

## **Speech of President Ramos at the International Herald Tribune Philippine Summit**

### **Speech of His Excellency Fidel V. Ramos President of the Philippines At the International Herald Tribune Philippine Summit**

[Delivered at the Shangri-La Hotel, Makati City, September 27, 1995]

**Building  
Filipino nation**

**a**

**modern**

THE ORGANIZERS of this Conference asked me to discuss “The Philippine Economic Development Story.” That there is such a story to be told is more reassuring for us than you could imagine.

A few years ago, I read about a tombstone in a little cemetery in Georgia with an interesting epitaph. It says: “I *told* you I was sick!” That struck me then as a wake-up call for the Philippines. For years our economy had been telling us that it was sick, and yet the Government and the national leadership did not seem to hear. They went on pursuing the same unhealthy policies.

Today, it is my happy task to tell you how and why we did not wind up in the grave—and what we are now doing to ensure the long-term health of the former patient.

#### **A story of decline and recovery**

The World Development Report of 1992 noted how wrong policies can turn a country into a basket case—and how, conversely, the right mix of policies can produce exponential growth. Our story of decline and recovery is a classic illustration of this.

We started out in the sixties as the Asian country most likely to succeed—next to Japan. But, by the end of the eighties, we had become a laggard in a continent of dragons.

How, we have often asked ourselves, did we wind up in this situation when we Filipinos are supposed to be among the finest workers and managers in East Asia?

The simple answer is that we let crony politics—not markets—rule over our economy. Mistaking shortsightedness and chauvinism for nationalism, we chose—beginning in the fifties and sixties—to reserve the economy for Filipinos.

We closed our economy—looking inward to our small home market, instead of outward to the large global market. We set stiff restrictions on foreign investments, barring them from many industries.

We stifled competition and enterprise by allowing monopolies and cartels to dominate key sectors of the economy. We made political connections—not competitiveness or talent or hard work—the determinants of economic success.

#### **Down the path to ruin**

We followed the same path that led many countries in Latin America, Eastern Europe and Africa to economic ruin—and we achieved precisely the same results.

While our Asian neighbors developed their industries through global competition, we wound up with perpetually “infant industries.” Some of these infant industries had not matured after 40 years!

While our neighbors opened their doors to foreign investments—and thus to new technology and technology transfer—we hung on dearly to what our homebred entrepreneurs and their backward technology could provide.

While others opened the economy to competition, we tilted ours in favor of a few at the expense of the many. Add to these the maladies of insurgency, political instability, mass poverty and social unrest, and we have a snapshot of the Philippines in the postwar era.

The way out of this depression has not been easy: we are a nation that has had to “reinvent” itself.

To begin with, we have lived through a painful period of stabilization—just to get the macroeconomy working right. We learned that the market is the finest weapon in engineering progress and in fighting poverty. This much we have learned from the successes of our Asian neighbors—and, inversely, from the disasters of Communist central planning.

### **A nation that reinvented itself**

We also learned that the most effective way for people to pull themselves up from poverty is through their effective participation in the economy, and through equitable sharing in the fruits of growth. This means creating a market economy that is truly free and fair.

This shift to a market-based development strategy has been matched by our turning economic nationalism on its head and rejecting its parochialism. Today, nationalism leads us to expand our foreign linkages—the better to have access to global information, capital marketing channels and inputs of the best quality and services at the lowest costs.

This basic change in direction has required a degree of economic reform our country has not seen since 1946. We have moved decisively to modernize our telecommunications and end the monopoly that kept it backward. The response of many companies, including foreign participants, to supply the pent-up demand has been phenomenal.

Recently we liberalized banking, which had been closed to foreigners since 1948. This paved the way for the entry of ten foreign banks into branch banking and many other banks into various forms of foreign participation.

Foreigners may now own all types of manufacturing establishments, as well as businesses in indent, import and wholesale trading, travel agencies, tourist inns, life and non-life insurance agencies and insurance brokerage.

We have deregulated the downstream oil sector and we expect to open up the retail trade sector soon.

We have instituted one of the most liberal and imaginative build-operate-transfer (B-O-T) laws to encourage the private sector to take the lead in our infrastructure development program. Our B-O-T Law attracted a large number of investments in electric power plants so that we have now moved to other infrastructure subsectors such as public works, public utilities and transport.

For multinationals locating in our country, we have set up more than 40 growth centers, industrial estates and export zones all over the archipelago, in line with our growth center development program.

### **Accelerating growth**

Because of all these new policies—and their intensive implementation—our economy is now moving steadily along the path of growth. We had now three years of accelerating growth, and this year we should exceed 6 percent GNP growth in real terms.

More important, the long-term outlook is good. As the World Bank has observed: “The Philippine Government has made considerable progress during the last three years in setting the foundation for sustained and broad-based growth over the longer term.”

Moreover, we are attaining above-target performances in key program parameters—budget performance, gross international reserves, inflation, investments and exports.

Our debt-service ratio has declined from 37 percent of export earnings ten years ago to 18 percent last year. We have reentered the capital markets—after 12 years out in the cold—with a series of Eurobonds that raised US\$1 billion.

The remarkable thing about this economic turnaround is that we are doing it as a democracy. We are developing as a democracy not as an example to boast to others, but because history has so shaped our political culture that any other way will not work for us.

Our kind of democracy might still be miles away from Westminster’s or Washington’s. But our system already passes what Karl Popper calls “the bottom-line test for democracy”: through the popular vote, we can change our rulers without recourse to violence and bloodshed. I am proof of one such peaceful change of leadership.

There is still much more that we need to do before we can fully realize democracy’s potentials. But already it works sufficiently well for us to improve our situation significantly. We accept—unequivocally—the methods of democratic politics. We regard “politics”—the process of conciliating rival interests and differing opinion—not as an obstacle to governing but as the precondition to concerted action.

We have legislated and carried out economic, political and social reforms by precisely this method of consensus.

### **Developing according to our circumstances**

This is not to suggest that our path to modernization is better than the approach of what some call East Asia’s economically successful “soft authoritarianism.” I think the argument oversimplifies reality. For every authoritarian success, there are as many authoritarian failures. Just as for every democratic success, there are also democratic collapses.

In the last analysis, I believe every country develops according to its special circumstances and conditions. In our case, we Filipinos have remained unswerving in our commitment to democracy. And we believe democracy, social discipline and sustained development are not incompatible, but complementary.

It is true, as some say, that developing as a democracy presents many difficulties and delays. But when you succeed by making politics work—instead of making it disappear—development is more stable.

In the Philippines today, investors can live secure that they are not living with policies that will change overnight, with laws and contracts that are vulnerable to arbitrary political decisions, or with regimes that will be racked by upheaval or sudden shocks.

Democracy provides stability that no authoritarian order can achieve. A democracy builds on firmer ground.

### **Sustaining development**

This brings me to the final part of my remarks: the challenge of sustaining our development.

Over the past three years, we have set the stage for economic takeoff. Over the next three years, we will ensure that our development momentum is not only maintained but accelerated.

We have effected many reforms. But there is more we still must undertake. We must complete reorienting and redirecting our economy—to take full advantage of the markets opening up all around us. We must modernize our industries, our agriculture and our financial markets—and keep in step with the new information technology.

We must move to raise up millions of our poor through education, skills upgrading and other basic services—in order to make them net contributors to development.

We must confront and neutralize or resolve threats to civil society and the rule of law—such as crime, insurgency and weaknesses in our justice system.

Above all, we must raise the political capacity of the State—to increase the responsiveness and effectiveness of Government institutions, especially our National Police and civil service.

Overall, these reforms really have to do with transforming the Philippines into a modern nation, one that can cope with the demands and challenges of the twenty-first century.

There are those who still oppose our reforms—particularly opening the country to foreign investments—and who seek to reverse the wheels of progress. But, for the Philippines, there is no turning back. There is a nationwide constituency for reform today. And it gathers strength as we succeed, step by step, in our endeavors.

It has been asked—what comes after Ramos? Will the reasons for success disappear at the end of my term?

This is flattering, but I ask you not to underestimate our democratic system and people. There are ample reserves of commitment and talent in our democracy. And the Ramos Administration is building for continuity, predictability and enduring stability.

### **Openness outweighs secrecy**

Our remaining problems notwithstanding, we are creating durable institutional arrangements wherein this connection can flourish in the new world trading order.

Harlan Cleveland observes in his book *Birth of a New World*: “Part of the connection between democracy and market is that people governed by consent want to do business (shop, invest, work, watch television) across borders that are as open as possible. That other part is that a democracy’s economy (the goods and services that are traded, the information that is shared) is necessarily and inevitably more open to the rest of the world, and the rest of the world will be more open to it.”

In the new global economy, openness outweighs secrecy—as the old Soviet Union discovered to its sorrow. And the new measure of development has become the size of information flows to one’s country.

The Philippines is still at the fringes of this knowledge revolution; but we are in a position to take active part because we are an open society with capable citizens—with growing access and connections to the world.

Let me now summarize and conclude.

In the Philippines you may not yet find the degree of success of Asia’s dragon economies, or the political vibrancy of the world’s advanced democracies.

But you will find a developing country with much of both—a free people beginning to rise to their potential with natural and human resources, a strategic location at the gateway of Asia-Pacific—a nation coming into its own.

We have a long way to go, and we realize that we can achieve our vision only if we persist in reform and innovation, adding steadily to our achievements. These we are pursuing with political will and people empowerment.

You must remember that our turnaround is only three years old. We are just two years removed from the severe power shortage, five years from the rash of coup attempts and nine years from a dictatorship. And yet international observers are now talking of the Philippines as the next Asian miracle.

Consider then what we might accomplish in another three years or in a decade of determined effort at building a modern Filipino nation.

### **An open moment in history**

In his book *A World Lit Only by Fire*, William Manchester notes the great significance of the discovery of the Philippines to the world. "Through this discovery," he wrote, "[Ferdinand Magellan] closed the nexus between the 123rd and 124th degrees of east longitude and thus completed the encirclement of the earth . . . he proved the earth was round."

This invests a special meaning to our distinction as a country where East meets West.

Today, five centuries after Magellan, in what historians call another "open moment in history," it could be that our development, when completed, will also have transcendent significance. Filipinos are showing the world that democracy is the right path to modernization and freedom the most effective weapon in reengineering progress.

*Source:* **Presidential Museum and Library**

Ramos, F. V. (1996). *Our time has come : the goals we set ourselves to obtain for our people are now within our reach*. [Manila] : Friends of Steady Eddie.

## Keynote Address of President Ramos at the International Discourse and Exhibition on Dr. José P. Rizal and the Asian Renaissance

[Delivered at the Putra World Trade Centre, Kuala Lumpur, Malaysia, October 2, 1995]

THIS CONFERENCE of international scholars honors an Asian intellectual whose life, work and martyrdom inspired the nationalist revolution that brought forth Asia's first free republic—and animate the Filipino nation until now.

Let me also express our appreciation to the prime mover of this conference—Deputy Prime Minister Ibrahim Anwar—and to its corporate sponsors: the Institut Kaijan Dasar, or the Institute for Policy Research.

I bring the greetings of the Filipinos for our Malaysian brothers—with whom we claim a common heritage, a common vision, a common destiny—here in Southeast Asia.

The Philippines has suffered many changes in circumstance and fortune throughout its history. But its birth was nothing if not auspicious. Ours is a nation created by heroes.

Before the political persecutions of 1872, there was no Filipino nation. We were a collection of *indios*, mestizos and Creoles—Tagalogs, Capampangan, Ilocanos, Negrenses, Cebuanos, Ilongos, Moros—and the archipelago we inhabited was merely a place-name. But after the execution by strangulation of the martyr-priests Gómez, Burgos and Zamora in February 1872, no further repression could prevent the Filipino nation from being born.

Jose Rizal has been called—correctly—the first Filipino. He was the first to conceive of all the peoples of our archipelago as one grand union—transcending tribe, ethnicity, religion, language, custom—*ang sambayanang Pilipino*, “one Filipino nation.” Rizal gave our more than 7,100 islands, scattered between Borneo and Taiwan, a sense of being one.

### What sort of man was José Rizal?

He was truly a man of his times. As a civilized individual of the age before specialization, Rizal was a universal man—a man of many talents and many interests. In that way, he was emblematic of his contemporaries—among whom were the Indians Rabindranath Tagore and Mahatma Gandhi and the Chinese K'ang Yu-wei and Sun Yat-sen.



These nationalist leaders and intellectuals were all born within a few years of each other. All were endowed with brilliance of mind and remarkable character. And all consecrated their lives to their country's cause.

This was at the height of the Western effort to incorporate Asia, Africa and Latin America into its colonial order. Before that time, the tides of history had flowed largely westward. But—by the beginning of the industrial era—Europe's superior science, technology and organizational capacity had enabled it to subdue much of the world and integrate the non-European peoples into its system of long distance commerce.

Yet imperialism carried the seeds of its own destruction. Economic growth in the colonial countries, no matter how limited, gave rise to an indigenous middle class—whose sons and daughters grew up to challenge imperialist rule.

Rizal himself represented the modernizing Filipinos of his time: the larger tenants on the friar estates—a rising middle class that saw, in the corruption and inefficiency of colonial government, and in the exploitative economic ties with Spain—a hindrance to the modernization of their country.

We had largely forgotten how close to one another the peoples of colonial Asia felt. A consciousness of oppression suffered in common—and a common love of liberty—brought our peoples together then. News of one Asian people's rising evoked a vicarious sense of triumph everywhere in the region.

The Philippine Revolution of 1896, the 1900 Boxer Rebellion in China, and Japan's spectacular defeat of Russia in 1905—all these became beacons in the groping for liberty of all Southeast Asian peoples.

### **Colonialism stirs a sense of self-awareness**

Rizal's time was a period of unrest and excitement throughout East Asia—a time of ferment strikingly similar to the European Renaissance of the fifteenth and sixteenth centuries. And it was Western dominance itself that stimulated Asia's self-awareness.

Everywhere in the captive countries there was a sense of rebirth—a quickening of the spirit, a resurgence of vigor, new ways of thinking—a renewed belief that great things were possible once again.

The most perceptive among our intellectuals realized early on that salvation lay in modernizing indigenous society—in adapting traditional culture to the Western intrusion. This was why Rizal put so much faith in scientific education—and K'ang Yu-wei in 1898 urged the study of Western culture on the Kuang-hsu Emperor.

The Asian intellectuals also found it ironic, as did the young Vietnamese who flocked to the University of Hanoi when it opened in 1907, that the Western rights of liberty and equality should be taught and denied at the same time.

In Rizal, a foster child of the European Enlightenment, this discrepancy between Western libertarian thought and colonial practice was particularly strong.

The repressions of 1872 gave the colonial regime a spurious stability—but only until a new generation of Filipino patriots came to manhood.

### **Young men born to be heroes**

Of our heroes of the propaganda period and the Revolution, the most striking quality was how young they all were.

Rizal, at age 26, had finished his incendiary novel, *Noli Me Tangere*, followed quickly by its sequel *El Filibusterismo*—and he was dead at 35.

Andres Bonifacio founded the secret society Katipunan when he was 29 years old. When the Revolution began, Bonifacio's faithful deputy, Emilio Jacinto, was still four months short of 21. And Emilio Aguinaldo, at age 27, was the victorious general of the Revolution; and, at 29, founder and President of Asia's first free Republic.

If heroes are born and not made, then Rizal was born a hero. From his early youth, he self-consciously dedicated his life, his works—even his death—to our country.

Thoughtful, studious, conscious of his own talent, seeking his pleasure in history, literature and science, he easily won the respect of his fellow student-exiles in Europe.

In Europe's more spacious atmosphere, Rizal set himself to refute the colonial myth of Malay indolence the Spaniards propagated, and the racialism he abhorred. "The law," he noted wryly, "knows no color of skin; nor does reason differentiate between nostrils."

Researching in the British Museum for a year, he painstakingly annotated a Spanish history of the Philippines in an effort to establish his people's "ancient dignity and culture."

His people's failings he ascribed to the enervating influences of a decrepit colonial regime.

This same theme pervaded his novels, through which Rizal sought to excite into action "the soul of the race—to revive in the Filipinos the . . . spirit of dignity and self-respect—by making them see. . . [that] they have a worthy past—which they [had] foolishly renounced in exchange for beliefs and strange customs they do not understand."

### **Creating a Filipino nation**

Of his generation of student-exiles in Spain, Rizal was the first to realize that reform and modernization could never be achieved under foreign rule. If they are to be redeemed, Filipinos must look to themselves; Filipinos must trust in their own strength. Rizal saw as the goal of revolution the creation of a nation of Filipinos—conscious of their human and national dignity and ready to sacrifice themselves to defend it.

He rebuked his own exile-community for being brave only while away from the fire. "The field of battle is the Philippines; that is where we should meet. . . . That is where we should help one another; that is where we should suffer or win, together. . . ."

Sealed letters he left behind on his last voyage homeward testify to his own quiet determination—"to bear witness with my example to what I have always preached"—and "to show those who deny our patriotism that we know how to die for our duty and our convictions."

In late 1891 Rizal turned his back on Europe and sailed eastward—accepting that only revolution would suffice to cure his country's sickness of the heart and soul.

The Spaniards were correct to identify Rizal as the "soul"—although not the actual military leader of the nationalist revolution—and to hand him over to a firing squad after a mock trial. Because it was his teaching which ignited the revolution that started among the Manila region's underclass.

In 1872 the young secular priest Jose Burgos, whom Rizal idolized, had broken down momentarily while being strapped to the garrote. When his own turn came, Rizal, conscious of the example he was setting for his people, walked calmly to the execution ground; refused a blindfold, and asked the soldiers to spare his head. The army doctor on duty felt Rizal's pulse at the last moment—and found his heart beating steadily.

After it killed Rizal, the regime itself lasted little more than a year. The democratic republic Aguinaldo established in June 1898 survived as a guerrilla movement until 1902—challenging American efforts to subdue it. And exactly

50 years after Rizal's death, the restoration of Philippine independence in 1946 set off East Asia's independence movements after World War II.

### **No plaster saint**

How does one sum up such a life?

Rizal certainly was no plaster saint. As his biographer and translator, the Filipino diplomat Leon Maria Guerrero, noted: "Rizal was not perfect; he was not always right, but. . . his humanity was precisely the secret of his greatness."

"The way he died is not as important as the way he lived; and, since his life was essentially an apostleship, [it is] not so important as what he thought and wrote."

From Rizal's writings, until now, we Filipinos seek our moral standards; from his precepts we still measure our ethical progress. And by Rizal's concept of a nation—as "moral, unselfish, responsible, based uncompromisingly on a general recognition of mutual rights and duties"—we Filipinos still aspire to measure ourselves.

We Southeast Asians are all Rizal's spiritual heirs—as we are the inheritors of all the heroes of our region's past. We are the beneficiaries of the freedom they fought for—and nourished with their blood.

Our task today is to enrich this legacy of liberty, to shape Southeast Asia's future according to our noblest hopes.

And this we can do only if we strive for a higher unity than we have now. Only the unification of Southeast Asia will enable us to take command of our own fortunes and establish a zone of peace, freedom and stability in our portion of the world.

### **Vision of a Southeast Asian community**

For the first time in 500 years, Southeast Asia's destiny lies largely in the hands of Southeast Asians themselves. Our task as leaders and thinkers is to build new relationships—design new institutions—that will ensure enduring peace and prosperity for all the peoples who share this region we all love.

ASEAN's incorporation of all the ten Southeast Asian countries—now only a matter of time—gives us a strong foundation for a still higher stage of regional cooperation—a true Southeast Asian community.

Toward that long-term goal, activities like these are useful. Rediscovery of our shared heritage of heroism will awaken a community of interests among our peoples.

Rizal speaks of the inheritance of wisdom that every generation receives from its fathers. And every generation's duty is to husband that inheritance—so that it is multiplied every time it changes hands.

Some of us gathered here will die "without seeing the dawn" of Southeast Asian unity. But we can now lay the groundwork for this unification.

We can so use our stewardship of our countries—we can so use our inheritance of freedom—so that those Southeast Asians who come after us will say "that not all were asleep in the night of our forefathers."

*Source:* **Presidential Museum and Library**

Ramos, F. V. (1996). *Our time has come : the goals we set ourselves to obtain for our people are now within our reach*. [Manila] : Friends of Steady Eddie.



**NATIONAL GOVERNMENT PORTAL – EDITED AT THE OFFICE OF THE PRESIDENT OF THE  
PHILIPPINES UNDER COMMONWEALTH ACT NO. 638**

**Speech of President Ramos at a dinner hosted by Benjamin J. Cayetano, governor of the state of Hawaii,  
U.S.A., on the working visit to Colombia and the United States of America**

**Speech  
of  
His Excellency Fidel V. Ramos  
President of the Philippines  
At a dinner hosted by Benjamin J. Cayetano, governor of the state of Hawaii, U.S.A., on the working visit to  
Colombia and the United States of America**

[Delivered at the Governor's official residence, Beretania Street, Hawaii, October 16, 1995]

**Our source of pride**

THIS GRACIOUS and congenial dinner—at the end of a long and busy day—is a good occasion to say how successful I consider my visit to Hawaii to have been—and to express my gratitude and appreciation to everyone of you who have helped to make it so.

But then its success was never really in doubt: since I come as a well-connected visitor, having friends here in high places.

One of them in fact lives in the Governor's mansion—and he just happens to come from the same province as I do.

**Tribute to Governor Cayetano**

I note with admiration your politics here in Hawaii, which is civilized enough to arrange things in such a way that a representative of every race in this lovely, plural society takes its turn to become governor of the state.

Thus, I am confident no ethnic group here would be offended—and Governor Cayetano's political prospects would not be diminished—if I declared that one of the reasons I came here is to pay him honor—and the Filipino-American community from which he sprang.

Governor Cayetano, we of the Philippines share your family's—and your community's—great pride in your political record.

And beyond that, we back home are all proud of what the Filipino-Americans in Hawaii have made of themselves.

Your community here has certainly come a long way these 90 years since the first Filipino migrants came to Hawaii—largely from Pangasinan and the Ilocos region—to work in the plantations of these Pacific islands.

Most of those early migrants arrived here with nothing more than their native fortitude, a sense of adventure and a capacity for hard work. Life for them was hard—but the finest of them pulled themselves up by their own bootstraps.

Your selection, Governor, as the first Filipino-American to occupy the highest political office in this state is a measure of the social and political distance that the Filipino-Americans have traveled since then.

And you are at the vanguard of a wave of Filipino-American political empowerment rising not only here in Hawaii but in many parts of the American mainland.

On behalf of the Filipino nation, I salute you—Governor Benjamin Cayetano—and through you, the entire Filipino-American community of Hawaii. You follow in the footsteps of José Rizal—our national hero and the pride of our race—whose achievements while away from home reflected glory on his people and country.

### **You can take new pride in our country**

Apart from paying honor to Governor Cayetano, I have come to Hawaii with a second happy task: to tell our kinsmen in Hawaii why they can take new pride in their mother country.

Over these last three years, we in the Philippines have succeeded in restoring political stability and turning around the economy.

From zero growth in GNP in 1991, our economy grew by 5.1 percent last year. We expect it to grow by 6 percent to 6.5 percent this year—and we expect sustained growth of between 7 percent and 10 percent every year for the rest of the century.

Last year our Board of Investments approved \$17 billion worth of investment projects—more than 400 percent larger than those in the previous year.

In fact, we are even now revising upward our entire investment target—raising it by 350 percent to a \$22-billion average every year—which will work out to a total of \$110 billion in new investments from 1995 to the year 2000.

### **Growth founded on political stability**

This new ability of our country to attract large flows of investments—foreign as well as domestic—is based on the improved political, social and economic conditions we were able to organize these last three years.

As you may already know, Philippine military rebels have accepted our Government's offer of honorable peace and a general amnesty. A peace process continues with the Moro National Liberation Front and the Communist Party of the Philippines.

And we have opened up our country to the emerging global economy—daring to measure ourselves in head-to-head competition against the best in the international community.

We have also made social reform and the alleviation of mass poverty the centerpiece of Government's agenda—to uplift the lives of ordinary Filipinos and ensure their brighter future.

We realize that reform will be difficult. But we recognize it as the only way to go—particularly for a people like ours, who were at the vanguard of the worldwide movement for democracy—through our People Power Revolution of February 1986.

Those among you who have not taken a look at the Philippines recently, I would urge you to take a good look at it now.

You will find no longer an economic laggard: the Sick Man of Asia has risen from his hospital bed and is racing with the rest of the competitors. The Philippines now is a country revived and renewed—and on its way to becoming East Asia's newest tiger-economy.

I cannot close without saying a word about what I see as Hawaii's role with respect to the economic opportunity—as well as the economic challenge—posed to the United States by the economic resurgence of East Asia.

### **Hawaii's role: between East and West**

If the Philippines is the gateway to East Asia, then this lovely state of Hawaii is the bridge—culturally as well as geographically—between East and West: between mainland Asia and the nations of the Pacific.

Here in this state are represented all the vigorous races of East Asia. Here in this state—as nowhere else in the United States—does the melting pot remain an astonishing success. Here in this state lie the knowledge, the experience, and the key for America's dealings—strategically, economically, culturally—with the peoples of East Asia.

As the economic gravity of the globe tilts toward the Asia-Pacific, Hawaii is destined to play an instrumental role in America's continuing engagement in the region. In playing this role, Hawaii's plural society will be human assets to be cherished beyond price.

Finally—Governor Cayetano, every moment has been memorable for us: we look forward to seeing you in Manila in December—so that we can return some of your famous Hawaiian hospitality.

*Source:* **Presidential Museum and Library**

Ramos, F. V. (1996). *Our time has come : the goals we set ourselves to obtain for our people are now within our reach*. [Manila] : Friends of Steady Eddie.

**NATIONAL GOVERNMENT PORTAL – EDITED AT THE OFFICE OF THE PRESIDENT OF THE PHILIPPINES UNDER COMMONWEALTH ACT NO. 638**

**Speech of President Ramos at the eleventh conference of heads of state and government, Nonaligned Movement**

**Speech  
of  
His Excellency Fidel V. Ramos  
President of the Philippines  
At the eleventh conference of heads of state and government, Nonaligned Movement**

[Delivered at Cartagena de Indias, Colombia, October 18, 1995]

**Peace and development**

THE PHILIPPINES became a full member of the Nonaligned Movement only in 1992—during the chairmanship of His Excellency, President Soeharto, of Indonesia—our neighbor and partner in the Association of Southeast Asian Nations.

Yet—in spirit—we have been at one with you from the very beginning starting in 1955 at Bandung. We have always subscribed to your ideals of freedom, peace, justice and equality among nations.

Now we are proud—and privileged—to stand with you.

**What NAM has accomplished**

This past generation, the Nonaligned Movement has been a force for freedom from colonial rule; for moderating the confrontation between the superpowers; and for peaceful dialogue in resolving interstate disputes.

Today, decolonization has largely been achieved. The contending blocs have been dissolved. And over much of the world—in the Middle East, in Cambodia, in Southern Africa—the force of reason has replaced the force of arms in resolving disputes.

At this eleventh summit, our Movement has reason to be proud. Much of its work is finished—many of its purposes are fulfilled. Yet much more remains to be done.

If the Nonaligned Movement is to remain relevant, it must now become a force for dealing cooperatively with the new challenges facing humankind.

The Nonaligned Movement must become a force for empowering communities—developing economies—protecting the environment and enabling ordinary people to attain the full potential of their lives.

Mr. Chairman, the principle of development as a requisite of lasting peace has guided my country in its chairmanship of the Group of 77.

One of my missions here is to ensure the closest coordination between the Group of 77 and the Nonaligned Movement—which share not only a large overlap in membership but common aspirations—not only for our individual countries but for all the world.



This summit gives us not only the opportunity to chart the course of the Nonaligned Movement—in the context of the challenges confronting the world community—and the developing countries—in the new century.

This summit also gives us the chance to develop a coherent—and unified—position toward the work of the United Nations as it enters its second half century.

### **In the service of peace in the world**

In the past, we could only speak of the developing world's numbers—not of its wealth and resources.

Today many developing nations are growing as never before. We have gained a new measure of respect from the developed countries.

But, along with progress, we have also discovered how indispensable peace can be. Conflict puts every economic gain at risk.

It is, therefore, imperative that we build initiatives to serve both peace and development in the world.

Although the liabilities of a nuclear holocaust may have diminished, disputes and conflicts in the developing world must attract our concern and our leaders' statesmanship.

Dissolution of the power blocs has not prevented states from attacking—or threatening—weaker neighbors.

The Nonaligned Movement must continue to conciliate disputes—territorial, ethnic, ideological or otherwise—among its members.

It must continue its efforts to rid the world of nuclear arms. And it must promote measures to bring about greater transparency in the development and acquisition of conventional arms.

For us in Southeast Asia, closest to home is the dispute over islets in the South China Sea, which threatens to disrupt our region's economic growth. We believe it vital for all countries to continue supporting the 1992 ASEAN Declaration on the South China Sea—which stresses that all sovereignty and jurisdictional issues there should be resolved without resort to force.

### **Working together in the U.N.**

Mr. Chairman, on the South China Sea issue, we depend on the Nonaligned Movement's continuing support—just as we do on the problem of the nuclear issue in the Korean Peninsula—where we see the need for continuing dialogue among the parties concerned.

In Rwanda and Bosnia-Herzegovina, we are anxious about the continuing flow of weapons from outside suppliers—and the pitiful situation of the refugees from these ethnic conflicts.

In Liberia and Angola, we welcome the U.N.'s demonstration that it can be an effective instrument for resolving conflicts.

And we call on the Movement's entire membership to join in containing and neutralizing international terrorism, which poses a threat to all of us.

Mr. Chairman, I believe the Nonaligned Movement and the Group of 77—working together—should use the 50th anniversary of the U.N. as the occasion to review its performance and set its goals for its next half-century.

I believe we should work cooperatively—to democratize the United Nations—restore development to the top of its agenda and rededicate it to the freedom, well-being and dignity of humankind.

We must, first of all, ensure that the General Assembly—as the only U.N. forum where nations have sovereign equality—exercises all the powers and responsibilities conferred on it by the U.N. Charter. We must preserve the Assembly’s universal and democratic character.

The General Assembly’s review of the Security Council’s structure is entering a crucial phase. We should promote the increase in the Council’s membership being distributed in a geographically equitable way; and on the need for representation in the Security Council of the Nonaligned Movement.

### **Proposals for reform**

We must also ensure the Security Council’s working methods are made more transparent to nonmembers. The review of the veto power held by the five great powers—some of whom are “great” powers no longer—is obviously essential to this effort to make the Security Council accountable to all U.N. members.

Proposals for reform of the U.N. economic system call either for the abolition of agencies like ECOSOC, UNCTAD and UNIDO—or the creation of new institutions, like an Economic Security Council.

These proposals deserve our study and engagement. But we cannot really apply “managerial” solutions to the U.N.’s shortcomings. Its problems go much deeper. They are substantive—and political. They arise from the growing differences between the “haves” and “have-nots” in the way they interpret the purposes and priorities of the United Nations.

I believe it essential that we—the Nonaligned Movement and the Group of 77—direct our efforts to strengthening the role of the General Assembly on economic and social development issues—and democratizing the U.N.’s decision-making processes.

And let us bear in mind that no amount of reform can replace the importance of the U.N.’s having adequate—and regularly available resources to fund its functions in the world community.

### **Agenda for peace**

The United Nations is considering the “agenda for development” proposed by the Group of 77—which restores economic and social development issues to the top of the U.N. agenda.

We seek the Nonaligned Movement’s support for this agenda—which reflects the wants, needs and hopes of the developing countries—and which remains the world’s best hope of pulling out the root causes of conflict among, between and within nations.

Problems of international migration have also risen alongside increasing globalization of economies. We ask this Movement’s support for an international conference on migration and development—and ratification of the U.N. Convention on the Protection of the Rights of All Migrant Workers and Their Families.

Finally, we should not neglect the chance to push the United Nations to a more forthright stand on all acts, methods and practices of terrorism. Terrorism is a dagger aimed at the very heart of global stability.

In closing, Mr. Chairman, let me say the Nonaligned Movement today has acquired an even greater importance—as epochal changes continue to take place, and the developing nations exert a greater influence on world affairs—because of their growing economic weight and their enhanced self-confidence.

Having contributed so much to the liberation of nations, surely the Nonaligned Movement can do just as much to emancipate and empower the individual human being.

The conference in Beijing on women's rights last month is an excellent example of what the international community can do in this regard.

From the commitment of our individual member-nations—and the statesmanship of our leaders—does our Movement derive its potency as an instrument for international cooperation. This kind of effectiveness we must continue to put to good use.

By our *solidarity* we have helped to prevent a global cataclysm.

By our *solidarity* we have helped to free captive peoples.

By our solidarity we have moved this world—in no small way—toward civility, mutual respect and fraternity.

*Arm in arm* we must now move forward—to the *summit* of our people's aspirations.

*Source:* **Presidential Museum and Library**

Ramos, F. V. (1996). *Our time has come : the goals we set ourselves to obtain for our people are now within our reach*. [Manila] : Friends of Steady Eddie.

**Speech of President Ramos at the commemoration of the 50th anniversary of the United Nations Speech  
of**

**His Excellency Fidel V. Ramos**

**President of the Philippines**

**At the commemoration of the 50th anniversary of the United Nations**

[Delivered at the UN General Assembly Hall, New York City, New York, U.S.A., October 24, 1995]

**Our bridge to the future**

AS A SIGNATORY to the United Nations Charter in San Francisco in 1945, and as the current chairman of the Group of 77, the Philippines has considered it an exciting privilege to take part in the work of the United Nations.

In five turbulent decades, we have seen the decolonization of virtually the whole world, the rise of human rights to the forefront of world concerns, the engagement of our world community in reform for the welfare of children, women, minorities and the environment, and most of all, the work of reengineering development in the poor regions of the world.

**Agenda for development**

Now we must ensure that this organization is adequate to meet the challenges of a new era.

Let us remember that from the beginning, the United Nations was created to help improve “standards of life in larger freedom” all over the world.

Today, we know that poor countries, given the right policies and just a little assistance, can actually develop and raise their living standards.

Yet, sadly, we find in the developed countries and even in some of the more advanced developing nations a deplorable effort to turn back the tide—by closing their markets to exports and raising false issues about the environment and labor standards.

We, therefore, must now press forward even more intensely the U.N.’s work to spread economic progress and social justice, the lack of which are the root causes of conflict.

With equal dispatch, let us strengthen the U.N. agencies involved in promoting social justice and economic progress. The fact remains that the gap between rich and poor nations endures—and, in some cases, is widening by dangerous proportions. Peace cannot grow in any society gripped by poverty and misery.

**Our peace mandate**

In the work of peace-making, clearly adjustments are in order. Although the threat to global peace from nuclear confrontation has greatly diminished, in its place have arisen many regional and ethnic conflicts that are as deadly and which constitute both a challenge and an affront to the collective conscience of mankind.

Therefore, we should not neglect the chance to push the United Nations to a more forthright stand against all acts, methods and practices of terrorism. Terrorism is a dagger aimed at the very heart of each nation’s security and global stability.

At the same time, we must condemn the grotesque obsession with nuclear weapons and other instruments of mass destruction, and work concertedly for the conclusion next year of a comprehensive test-ban treaty that would put a stop to all nuclear testing for all time.

## **Human rights**

Mr. President, excellencies:

On behalf of the Group of 77, I also draw the Assembly's attention to the problems arising from the large-scale migration of workers. For the great majority of them, migration means deprivation of rights, double standards in the eyes of the law and, worse, exposure to violence and abuse.

We urge the convening by the United Nations of an international conference to deal with the plight of migrant workers. That the United Nations Convention on the Protection of the Rights of All Migrant Workers and Their Families still has to be ratified by many countries is just one more reminder of the difficult road we still have to travel.

## **Reforming the U.N. structure**

Finally, Mr. President, excellencies:

Let us not allow this commemoration to pass without dealing with the issue of reforming the United Nations—its organization, its processes and its finances.

The most efficient organization in the world cannot effectively function without stable and predictable financing. We, therefore, call upon all members to fulfill their financial obligations to the United Nations, and do so on time.

We support reform of the U.N. Security Council itself. We believe membership should be enlarged and reapportioned to ensure equitable representation of all geographic regions and of the developing countries.

Mr. President, excellencies:

This is not to express impatience with an institution that has served our world with such dedication for half a century.

This is rather to express the hope that our United Nations of the future will even be more caring and proactive, and be the bridge to the fulfillment of our people's aspirations.

*Source:* **Presidential Museum and Library**

Ramos, F. V. (1996). *Our time has come : the goals we set ourselves to obtain for our people are now within our reach*. [Manila] : Friends of Steady Eddie.

**NATIONAL GOVERNMENT PORTAL – EDITED AT THE OFFICE OF THE PRESIDENT OF THE PHILIPPINES UNDER COMMONWEALTH ACT NO. 638**

**Speech of President Ramos on the Asia-Pacific Economic Cooperation (APEC) Economic Leaders' Declaration for Action**

**Speech  
of  
His Excellency Fidel V. Ramos  
President of the Philippines  
On the APEC Economic Leaders' Declaration for Action**

[Delivered in Osaka, Japan, November 19, 1995]

**APEC economic leaders'  
Declaration for Action**

1. We have gathered in Osaka to further advance the Asia-Pacific economic dynamism and sense of community. The Asia-Pacific is experiencing the most striking economic growth in the world and ever-increasing interdependence. It is a major contributor to global prosperity and stability.

We believe our economic reforms, based on market-oriented mechanisms, have unleashed our peoples' creativity and energy and enhanced the prosperity and living standards of our citizens in the region and the world as a whole. In the current climate in our vast and diverse Asia-Pacific region, APEC presents us with a golden opportunity for the twenty-first century. Through APEC we can harness, coordinate and channel dynamic economic trends to our collective advantage.

2. At Blake Island we established the vision of a community of Asia-Pacific economies, and at Bogor we set a number of specific objectives, including:

free and open trade and investment in the Asia-Pacific not later than 2010 in the case of industrialized economies, and 2020 in the case of developing economies;

expansion and acceleration of trade and investment facilitation programs; and

intensified development cooperation to attain sustainable growth, equitable development and national stability.

We have, with Osaka, entered the action phase in translating this vision and these goals into reality. Today we adopt the Osaka Action Agenda, the embodiment of our political will, to carry through our commitment at Bogor. We will implement the Action Agenda with unwavering resolve.

3. The Osaka Action Agenda is the template for future APEC work toward our common goals. It represents the three pillars of trade and investment liberalization, their facilitation, and economic and technical cooperation. Achieving sustained economic development throughout the APEC region depends on pursuing actions in each of these areas vigorously.

Reflecting the diverse character of APEC and the broad scope of our activities, we will achieve the long-term goal of free and open trade and investment in several ways.

We will a) encourage and concert the evolving efforts of voluntary liberalization in the region; b) take collective action to advance our liberalization and facilitation objectives; and c) stimulate and contribute to further momentum for global liberalization.

4. We emphasize our resolute opposition to an inward-looking trading bloc that would divert from the pursuit of global free trade, and we commit ourselves to firmly maintaining open regional cooperation. We reaffirm our determination to see APEC take the lead in strengthening the open multilateral trading system. We trust that enlarged participation by APEC economies in the World Trade Organization (WTO) would facilitate greater regional cooperation. We will explore joint initiatives under the WTO, including preparations for the Ministerial Meeting in Singapore. Ensuring that APEC remains consistent with the WTO Agreement, we will achieve trade and investment liberalization steadily and progressively.

Desiring that trade and economic tensions among APEC economies be resolved in a nonconfrontational manner, we are committed to finding ways of ameliorating trade friction. We agree on the desirability of an APEC dispute mediation service, without prejudice to rights and obligations under the WTO Agreement and other international agreements.

5. On the Action Agenda we have agreed to a set of fundamental principles to guide the achievement of our liberalization and facilitation: comprehensiveness; WTO consistency; comparability; nondiscrimination; transparency; standstill, simultaneous start, continuous process, and differentiated time tables; flexibility; and cooperation. We direct our ministers and officials to immediately begin the preparation of concrete and substantive Action Plans to be submitted to the 1996 Ministerial Meeting in the Philippines for assessment. The Action Plans will be implemented in January 1997 and will be reviewed annually.

To assist in this process, we instruct our ministers and officials to engage in consultation in a collective effort of a confidence-building nature to facilitate exchanges of information, to ensure transparency, and to contribute toward attaining the comparability of respective Action Plans.

The Action Agenda may be revised and improved as necessary in response to changing circumstances. Although we have chosen the unique approach of concerted liberalization grounded in voluntarism and collective initiatives by the member-economies as the key means for implementing the Action Agenda, its success hinges on our own continuing efforts, strong self-discipline and close consultation.

6. Governed by the Osaka Action Agenda's principle of mutual respect and equality, mutual benefit and assistance, constructive and genuine partnership, and consensus-building, we will promote action-oriented economic and technical cooperation in a wide range of areas. With the Action Agenda, APEC has gained renewed momentum and broader perspective for economic and technical cooperation.

Economic and technical cooperation implemented through various means including Partners for Progress serves to promote trade and investment liberalization and facilitation, to narrow the disparities within the region, and to achieve growth and prosperity for the region as a whole. We will thus work through policy dialogue and joint activities to broaden and deepen intraregional cooperation in all areas of our interest.

At the ministerial level, valuable consultations have been on macroeconomic financial, exchange rate and other policies on capital flows, capital market development and infrastructure financing. We also commend the valuable contribution at the ministerial level in such fields as telecommunications and information industry, transportation, small and medium enterprises, and science and technology. We hope that they will continue their good efforts.

7. We are pleased to announce that each of us has brought a package of initial actions demonstrating our firm commitment to achieving liberalization and facilitation. These voluntary actions will spur and inspire APEC liberalization. They also represent the first wide-ranging initiatives to accelerate the implementation of our Uruguay Round commitments and to deepen and broaden the outcome of the Uruguay Round through, for example, acceleration of tariff reductions, early implementation of WTO agreements, and pursuance of deregulation. Together with these measures, our collective action, including harmonizing and enhancing the efficiency of customs procedures and promoting mutual recognition and improving conformity assessment capabilities, will yield immediate and tangible benefits for business. We urge non-APEC economies to follow suit and help advance global trade and investment liberalization.

8. The Eminent Persons Group and the Pacific Business Forum have made important contributions to the formulation of the Osaka Action Agenda. Highly appreciative of the dedication and wisdom of the people who took part in the process, we congratulate them on the successful completion of their task.

Recognizing that business is the source of vitality for the Asia-Pacific and the driving force for regional economic development, we will appoint the members of the APEC Business Advisory Council to provide insights and counsel for our activities.

9. Our ambitious attempts to promote wide-ranging cooperation and foster the spirit of community in the Asia-Pacific will doubtless encounter numerous new challenges and incur new responsibilities despite, or perhaps because of, our economic growth. The Asia-Pacific region's fast-expanding population and rapid economic growth are forecast to sharply increase the demand for food and energy and the pressures on the environment. We are agreed on the need to put these interrelated, wide-ranging issues on our long-term agenda and to consult further on ways to initiate joint action so as to ensure that the region's economic prosperity is sustainable.

Through our actions, we affirm the vital importance of expanding and strengthening the shared interests which are the foundation of APEC and of forging relationships of trust among our people. We pledge to go forward together to meet the challenges ahead.

*Source:* **Presidential Museum and Library**

Ramos, F. V. (1996). *Our time has come : the goals we set ourselves to obtain for our people are now within our reach*. [Manila] : Friends of Steady Eddie.



**Address of President Ramos before the East-West Center on the working visit to Colombia and the United States of America Address  
of  
His Excellency Fidel V. Ramos  
President of the Philippines  
Before the East-West Center on the working visit to Colombia and the United States of America**

[Delivered in Manoa, Hawaii, November 27, 1995]

**America's  
in East Asia**

**role**

FROM YOUR VANTAGE POINT here on these lovely islands, even to doubt whether the United States will remain an Asia-Pacific power seems no less than ridiculous.

But perspectives shift with longitude—and I must tell you that concerns about America's staying power—specifically, concerns about the strength of the U.S. commitment to intervene in future regional crises—are beginning to preoccupy most countries in East Asia.

**In its own interest**

Over this past generation, the regional stability underwritten by the United States has given our countries the leisure to cultivate economic growth. Now the fear is widespread among them that the U.S. is turning inward—that it will revert to the isolationism which has characterized its foreign policy throughout much of its history.

I must add that we of the Philippines believe the United States will remain in the Asia-Pacific—and not out of altruism, but in its own interest.

You more than any others realize how the tilt of U.S. population away from its Atlantic coast, the influx of Asian migrants, and the attraction of East Asian trade and investments have made your country a true Asia-Pacific power.

And so it cannot afford to leave the Asian continent in the hands of a single dominant power—any more than it could tolerate Western Europe's being in the same situation.

America's role in East Asia is my topic here this afternoon. Let me summarize the four points I wish to make before I elaborate on them:

First, over the foreseeable future, the United States must remain the fulcrum of East Asia's balance of power.

Second, economic competition between the United States and East Asia is not "winner-take-all" but a game both sides can win. A vigorous American economy is just as good for East Asia as it is for Americans themselves.

Third, now that political values have become just as important as traditional security concerns and economic interests in the relations between countries, I ask you not to underestimate the power of America's democratic ideals to help shape East Asian political systems.

Fourth, America's military hegemony in the post-Cold War period gives it the historic opportunity to bring political morality to international relationships—to shape a moral world order. And this is a chance America must grasp—before it slips away.

Now let me take up these four points one by one.

## **Fulcrum of the East Asian balance of power**

Over these last 50 years, the sustained U.S. presence in East Asia—and its willingness to mediate East Asia's conflicts—have ensured that there would be no repetition of the Korean War and that the Vietnam War “dominoes” would fall the other way.

By interposing itself between the Chinese Civil War protagonists across the Taiwan Straits, the U.S. presence enabled Beijing and Taipei to cool off their enmities—and in fact to cooperate in the South China growth triangle with Hong Kong. The United States has also acted as a buffer between Japan and China—and between them separately and the Soviet Union.

The Cold War's end has not ended the usefulness of the American presence. Over the foreseeable future, the United States must remain the main prop of the East Asian balance of power—if only to preserve the bubble of stability that keeps East Asia's “economic miracle” going.

In this role, the United States has no competitor. Its military presence is—uniquely—acceptable to all the powers with legitimate interests in the region.

Over the future we contemplate, Russia's energies will be directed inward—to problems at home—and to relationships with its commonwealth neighbors in the former Soviet Union.

Meanwhile, fifty years after the Pacific War, Japan has neither completely reconciled with East Asia nor decided on its new role in the region.

## **China will be East Asia's most serious concern**

China—over these next 25 years—by the World Bank's estimate, will become the world's largest economy. Over this next quarter-century, China will unavoidably press—politically and militarily—on East Asia, even if Beijing made no effort to build up its capability to project power beyond its strategic borders.

How China exercises its political and military clout must concern us all. (The opposite possibility—of China's economic collapse and its reversion to “warlordism”—is if anything, even more alarming.)

The Allies in Western Europe solved a roughly similar problem by integrating postwar Germany into the European Union. So must we endeavor to integrate China into the Asia-Pacific community—economically through the Asia-Pacific Economic Cooperation and politically through the ASEAN Regional Forum—if we are to have lasting regional stability.

Only with America's help—only with America's leadership—can this be carried out successfully.

China and the United States—the “elephant” and the “whale” Walter Lippmann once called them—one a land and the other a maritime power, so that their interests were not antagonistic but complementary.

But today, the elephant is learning to swim: China is building itself a blue-water navy. Since the collapse of the Soviet Union, America's political and military dominance has been unchallenged. Is China gearing up to become the only counterforce to U.S. hegemony in the post-Cold War world?

Over these past 15 years or so, China has set aside its historical grievances, its ideological mission and its geopolitical ambitions in its pursuit of economic growth. Will it return to these causes once its economic growth is assured?

China's encroachment into Mischief Reef—part of our Kalayaan (Freedom) group of islets in the Spratlys—should warn us that China claims nearly two million square miles of land in adjacent countries; and that it also has

unresolved territorial or maritime disputes with Russia, India, North Korea, Tajikistan, Japan, Vietnam, Malaysia, Brunei and Indonesia—any one of which could spark off a local conflict.

### **Containment or engagement?**

How are we—its neighbors—to deal with China?

The debate rages between those who urge “containment”—after the way the West restrained an expansionist USSR in the early years of the Cold War—and those who believe China’s “engagement” into our peaceful network of economic and political institutions to be the better course.

We in the Philippines believe we must apply one or the other response as the emerging situation demands.

We must discourage any Chinese aggressiveness, yes, but we must also encourage every trend that ties the Chinese economy more tightly to those of its neighbors in the Asia-Pacific.

Obviously, we cannot approach today’s China with preconceived notions when this huge and complex country—a civilization in itself—is in the middle of such an epochal transition. This is why the ASEAN states refuse to commit themselves prematurely to the proposal for “prepositioning” U.S. matériel.

This caution is partly a lesson remembered from the colonial period—when the weak were wise to stay away from the quarrels of the strong. But it also results from an appreciation of the chance that the dismantling of the American naval and air bases removes a potential provocation to ASEAN’s giant neighbor—and invites China to live and let live with Southeast Asia.

Meanwhile, even the reduced U.S. deployments close to the ASEAN region are a counterweight enough in the region’s security balance.

Some say that, if Beijing should continue encroaching on the South China Sea, then this aggressiveness will accelerate security cooperation among the Southeast Asian countries—and between them and the United States.

But, for the moment, the ASEAN states are betting that interdependence and intensified cooperation will preempt the rise of long-standing political antagonisms.

Economic interdependence may not by itself prevent conflicts, but it does raise the cost—and the threshold—for using force, especially among the great powers.

### **Japan, our other main concern**

About Japan, we of the Philippines have two basic concerns. The first is that the alliance between Japan and the United States must be preserved; and the second is that Japan must find a political role in the world proportionate to its economic power.

Like all the other Southeast Asian countries, we want Japan’s alliance with the United States to continue—although we now accept that the alliance must be redefined into something closer to a genuine partnership.

There is an inherent anomaly—similar to the original West European effort to keep apart the two Germanys—in today’s Japan remaining a strategic client of the United States. This can only fan an unhealthy kind of nationalism in a country acutely aware of both its economic strength and its cultural uniqueness—increasing the danger that the trade disputes of the United States and Japan would spill over into their security relationship.

The Philippines supports—within the context of United Nations reforms—Japan's bid for a permanent seat in the Security Council.

We see this as enhancing Japan's integration into the world community. And we are reasonably confident Japan's political role will be exercised on the side of peace—if only because the Japanese people have suffered so much of war.

To sum up this section—we of the Philippines believe any dilution of the American commitment to East Asian stability will severely undermine regional confidence—put an end to the region's economic miracle—and perhaps set off an arms race that could have incalculable, tragic consequences for all of us.

### **Economic ties between U.S. and East Asia**

Let me now turn to the economic ties between the U.S. and East Asia.

Economic interdependence among the Asia-Pacific countries has largely been market-driven: only now are the APEC governments trying to manage it. And the key to the region's tremendous growth has been the shift to free-market economies among its democratic and authoritarian states alike.

Already the United States exports more to East Asia than it does to its traditional markets in Europe and Latin America.

And East Asia's market is becoming even more attractive.

By the year 2000, the World Bank estimates that half the growth in the global economy will come from East Asia alone. In five years' time, one billion East Asians will have significant consumer spending power; and, of these, 400 million will have average disposable incomes as high as their European or American counterparts, if not higher.

This means the economic dimension to Asia-Pacific relationships will be stronger than it is already.

Like the rest of us, the United States must redefine its concept of national security in economic and cultural terms.

Like the rest of us, America's place in the future world will be determined just as much by the creativity of its workpeople and the daring of its entrepreneurs as by the devastating power of its weapons.

Since virtually all of its trade deficit comes from its East Asian commerce, the United States is looking for a new sense of fairness in its economic relationships with the Asia-Pacific.

### **No zero-sum contest**

Over the past 50 years the U.S. security umbrella—and the rich U.S. market—have enabled East Asia to prosper. Now American leaders argue that Americans must see their country as sharing in this prosperity—if American taxpayers are to continue supporting their country's continued security engagement in the region.

We of the Philippines have no problem at all with this proposition—particularly since we do not regard economic rivalry as a winner-take-all or zero-sum contest. In economic competition, everybody wins—and even the relative “loser” ends up richer than when he started.

Since it takes two to trade, a strong American economy is as good for us in East Asia as it is for you in America.

In sum—we do not want an underperforming, undersaving, underinvesting American economy any more than you do—if only because a weakened American economy will trigger off strong protectionist tendencies in the United States.

### **The U.S. as an influence on East Asian democratization**

Ladies and gentlemen:

Over this past half-century, a spacious sense of its self-interest has impelled the United States to help shape East Asian development—in fact, to make it happen.

And this enlightened self-interest derives from the very idea that is America. Its founding fathers saw their country as a venture greater than just another national enterprise. They saw their country as bringing a message of revolutionary enlightenment to humankind.

That revolutionary message has not lost its relevance—particularly for East Asian peoples who—as they become richer and more secure—are demanding respect from their rulers—and a say in how they are governed.

Authoritarian regimes may seek their legitimacy by sponsoring capitalist growth. But economic development cannot—forever—substitute for democracy. And it is to the idea of America that East Asia looks—in its groping for freedom. Look at how the Chinese student-militants of 1989 dared to raise a 30-foot plaster model of the Statue of Liberty on Tiananmen Square.

During the Cold War, America was sometimes accused of a cynical willingness to sacrifice democracy abroad to preserve democracy at home. Now, at last, America can reconcile power and morality in its foreign relations.

Despite a decline in its relative wealth, capacity and influence the U S today is the world's only superpower. And it is at the cutting edge of a revolution in both military technology and doctrine which promises to preserve its military preeminence in the world for at least another generation.

Because of its hegemonic power, America “can afford the luxury of attending to principle.” America can be to the world what its founders meant it to be—the ultimate refuge of all those “yearning to breathe free.”

### **Worthwhile causes for American idealism**

And—although the ideological challenge from messianic Communism has collapsed—there is no lack of worthwhile causes for American idealism.

We are as far away from a stable—and moral—international order as we were at the end of World War II. Far too many regions of the world are still subject to regimes of varying barbarism; while other national societies are disintegrating in anarchy.

If only America can gather its resolve, it can also lead the global community to begin dealing with the tremendous income disparities among nations—and alleviating the mass poverty of regions like South Asia and sub-Saharan Africa.

Then there is the care and protection of the global environment—a task so susceptible to the free-rider axiom that it needs exceptional leadership to organize effectively and equitably.

In these vital missions of reawakening America to its historical role—and of propagating in the Asia-Pacific the ideals and values America stands for—this center of intellect and scholarship will continue to play an ever-increasing role.

Throughout its time on earth, humankind has been striving for the ideal society. Unless we of the Asia-Pacific and America embark on a win-win direction, that ideal may forever remain beyond our grasp.

But, if America remains true to its original sense of revolutionary enlightenment, perhaps it can lead the world to approximate that ideal: to banish pain and fear and hunger—to bring a measure of peace and prosperity to every region—to enable every nation to discover the extraordinary possibilities of ordinary people.

*Source:* **Presidential Museum and Library**

Ramos, F. V. (1996). *Our time has come : the goals we set ourselves to obtain for our people are now within our reach*. [Manila] : Friends of Steady Eddie.

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**Speech of President Ramos at the presentation of the United Nations Children's Fund's 1995 report on the State of the World's Children and the ceremonial launching of International Children's Day of Broadcasting**

**Speech  
of  
His Excellency Fidel V. Ramos  
President of the Philippines  
During the presentation of the United Nations Children's Fund's 1995 report on the State of the World's  
Children and the ceremonial launching of International Children's Day of Broadcasting**

[Delivered in Malacañang, Manila December 19, 1995]

**Children are at the heart  
of all our strivings**

WE GATHER HERE TODAY, in joy and pride, to mark two events focused on our children—the presentation by UNICEF of its 1995 Report on the State of the World's Children and our country's celebration of International Children's Day of Broadcasting.

No other time than this Christmas season suits our affirmation that the welfare of children is at the heart of all our strivings to develop our economy and to ease want and poverty in our country.

**Goals of the World Summit for Children on target**

We heartily welcome the 1995 Report on the State of the World's Children, and we rejoice in its encouraging news that more than half of all the developing nations are on target to achieve most of the goals they took up at the 1990 world summit for children.

The 1995 Report tells us that nations are putting the needs and rights of children at the very center of their development strategies. The Philippines is one with these nations in placing the highest priority on children's welfare.

Our action plan for children is a vital component of our shared vision of Philippines 2000. Over the past three years, we have made good progress in achieving the goals in health, nutrition, education and water and sanitation we set for ourselves on behalf of Filipino children.

This year is our year of reckoning how far we have come—and how far we have to go—to achieve our mid-decade goals for children. Reaching our specific targets for 1995 is the first step in the series of action we need to undertake—to realize the goals of our national plan of action for children by the year 2000.

The Presidential review of our mid-decade goals for children—conducted last October—showed we are on target in the four goals of immunizing Filipino children against diseases like polio. But the review also showed we need to intensify our efforts to eliminate vitamin A deficiency, prevent iodine deficiency by the universal iodization of salt and to improve water supply and sanitation facilities.

We are heartened by the support we are beginning to receive from local governments.

A review of legislative initiatives for children's welfare by the Ninth Congress and the formulation of a legislative agenda for the same cause for the Tenth Congress are being initiated by the Philippine Legislators' Committee for Population and Development.

### **International Children's Day of Broadcasting**

Today we also join the rest of the world in celebrating International Children's Day of Broadcasting, which is also organized by UNICEF.

This event is celebrated worldwide—it is participated in by nearly 1,000 radio and television stations in 112 countries—to generate and sustain media attention on children's welfare worldwide.

I thank stations PTV-4, IBC-13, and *Radyo ng Bayan* for preparing special programs to celebrate International Children's Day of Broadcasting—and I call on all our mass media to devote this special day to our children. This is the time for broadcasters to look at the challenges and also the dangers facing our children in our fast-changing world. Give children a chance to be heard—to talk about their feelings, their dreams and their hopes.

*Kahit man lamang iilang araw ay maipadama natin sa ating mga anak at mga kabataan na talagang napakahalaga nila sa atin.*

*At dahil sila nga ang kinabukasan ng ating bayan, kilalanin natin ang kakayahan ng mga kabataan at ipaglaban ang kanilang karapatan at kinabukasan.*

*Source:* **Presidential Museum and Library**

Ramos, F. V. (1996). *Our time has come : the goals we set ourselves to obtain for our people are now within our reach*. [Manila] : Friends of Steady Eddie.



### **Speech of President Ramos during the 63rd anniversary of the Cosmopolitan Church**

[Delivered in Manila, March 24, 1996]

CHOOSE this day whom you will serve. . .but as for me and my house, we will serve the Lord.” (Joshua 24:15)

Like Joshua, the soldier who became the leader of the Israelites in their journey to the promised land, I renew with all of you here today my faith in God who is our constant companion and loving savior.

Church anniversaries highlight the basic character of the followers of Jesus. While they are commonly referred to as the chosen people of God, it would be more apt, if seen in relation to Joshua's affirmation of faith, to say that followers of Jesus are a choosing people. And their choices determine what they can become and where they could go.

Remember that Adam made a choice and we all bear the mark of his error. Abraham believed God, and his choice was seen as the heart of righteousness. Joshua too made the right choice, which is summed up by the affirmation, “As for me and my house, we will serve the Lord.”

Jesus made the choice that brought us back into the right path to God and granted us eternal life.

Today as we celebrate the anniversary of our church, may I submit to you three choices. Choices that our church could take as it continues to proclaim and spread the good news of the love of God in Jesus Christ in response to the realities and demands of our times.

First, let us be bearers of hope.

I remember hearing in Sunday school that hope is that steadfast faith in God's power to save. It offers new strength in a sea of helplessness. It creates and nurtures a strong resolve to overcome deadening poverty.

Hope therefore is the power that could enable people to overcome adversity and a sense of helplessness. It unites them and nurtures their commitment to discover the excitement of life as the gift of God.

Although I do not claim to know personally the circumstances of the painful travails suffered by the three Cosmopolitan heroes whom we honor today—Captain Vicente Gepte, Mr. Tito Dans and Mr. Serafin Aquino Jr.—I do remember their live, strong presence among us in Cosmo during the Occupation. I can also surmise that it was hope—hope for a brighter day—that kept the people of Cosmo together during that sad period in our lives.

This is why the Ramos Administration has always called on our people to unite and close ranks to face together the difficult challenges that still daunt us. To generate hope for today, we have always placed people empowerment at the center of our drive for a fuller life for every Filipino.

We need hope so we could help one another in defending the dignity and integrity of our lives. If we put too much emphasis on our miseries, however, we will not know the promise that comes from the heart of the good news.

Therefore, I believe that God's call to the churches as bearers of hope is to put to the fore our modest successes in all aspects of our life as a nation in thanksgiving and joy. How heartening it is to see our churches lead the people in rejoicing over the gains we have achieved in the social, economic, political, cultural and religious realms since our People Power Revolution at EDSA ten years ago.

Someone once said, "Since men came to be, they have rejoiced too little; that, my brothers, is our original sin!" Our churches should call people to rejoice even for our little victories. For our rejoicing could lead us to march with more vigor into the world of wonder and brightness, enlightenment and freedom.

Then we discover the joy of serving. Let us choose to be persons for others. This is the season of Lent. I recall that in our Lenten celebration here at Cosmo, among the most important mandates of Jesus as he had his last supper with his disciples, was: "The greatest love a person can have for others is to give his life for them!" (John 15:13)

### **Choose to be persons for others**

I also recall that one emphatic message during post-Resurrection services here was the saying of the Lord to all his followers at Judgment Day: "I tell you, whatever you did to the least of my brothers and sisters, you did it for me." (Matthew 25:10)

I thank this church for the basic Christian teachings that helped nurture my life. The biblical texts that I just mentioned are special to me because they have always conveyed the message of being a person for others.

Let us choose to be persons for others. For the commitment to serve that Jesus has shown us is the way to enable the poor, the needy and those living among the marginalized fringes of our society, to rediscover and celebrate life and hope as gifts of God. To be authentic bearers of hope, we need to be persons for others.

Let us therefore choose lives of prayer.

Our awareness of God grows when we see the signs of His presence in our midst. A church that chooses a life of prayer is always at the center of activities, never isolated from where the action is in order to make a difference in people's lives. But let us remember to perform as we pray, and to pray as we perform.

Prayer brings us into the realm of the power of God. Let us share with you one last reflection which strengthened my belief that prayer is our strength and God's weakness. EDSA 1986 taught me this: when we pray to God, we are made strong—in fact we feel we are at the height of our strength. When we pray to God, we touch His weakness. That is, His readiness to surround us with his unfailing and abundant mercies!

### **The 'protection' Psalm**

On the early morning of February 24, 1986, as we prepared ourselves at Camp Crame for the final assault, some of us sought refuge in Psalm 91 which is known to soldiers of World War I as the "protection" Psalm:

“He who dwells in the shelter of the Most High will rest in the shadow of the Almighty. I will say of the Lord, ‘He is my refuge and my fortress, My God, in whom I trust’ . . . ‘Because he loves me,’ says the Lord, I will rescue him; I will protect him, for he acknowledges My name.”

The victorious outcome is now history, and democracy was regained. As thanksgiving to God’s faithful companionship, let us choose, on this day of our church anniversary, to be bearers of hope, to be persons for others, and to lead lives of humility and prayer.

*Source:* **Presidential Museum and Library**

Ramos, F. V. (1997). *Leadership for the 21st century : our labors today will shape our country's future*. [Manila] : Friends of Steady Eddie.

**NATIONAL GOVERNMENT PORTAL – EDITED AT THE OFFICE OF THE PRESIDENT OF THE PHILIPPINES UNDER COMMONWEALTH ACT NO. 638**

**Speech of President Ramos at the Annual Gridiron Night of the National Press Club of the Philippines**

**Speech  
of  
His Excellency Fidel V. Ramos  
President of the Philippines  
At the Annual Gridiron Night of the National Press Club of the Philippines**

[Delivered at the Manila Hotel, April 22, 1996]

**The  
of our people**

**laughter**

THERE ARE A FEW unpleasant appointments that I have to keep once a year. Two of them are my visits to (1) my doctor and (2) my dentist for my annual checkup which, as many of you senior citizens know to the marrow of your bones, are never a laughing matter.

But this annual Gridiron Night of the National Press Club (NPC) is not one of them—for I do look forward to exchanging a few blows without being castigated the following day by the media—for one day out of the year, anyway.

I am told that the price of a dinner tonight is P1,500—the same as during the past three Gridirons, which means that prices are stable under the Ramos Administration.

**All-amateur night**

Tonight's Gridiron is even more entertaining than those of previous years. The NPC has decided to go all-amateur this time—which means that the jokes and the brickbats are less professional and therefore more laughable. This I attribute to NPC president Fred Lobo, who will be remembered as the senior Malacañang journalist who tried always to be funny but was successful only 9 percent of the time—single digit and still declining, just like the inflation rate.

It was when his exit questions at our weekly Malacañang press conferences were becoming more and more irrelevant that I considered a trade with the National Press Club. I pirated into my Cabinet Celo Lagmay, who had been president of the NTC for six long years—some swear it was six long decades. And you of the NPC in turn got Fred Lobo as president. I am not so sure who got the raw end of the deal. Anyway the Malacañang press corps now has the best of both worlds, even if Ellen Tordesillas does not think so.

**A democratic Gridiron**

Still and all, this has been a grand evening. I noticed that when you were not roasting me, you were democratically throwing barbs and arrows at other public figures—including those from “Labas” (*“Lakas” na, may “Laban” pa*). To think that some public servants still get paid with taxpayers' money for their negative efforts is something that merits a congressional investigation. Let us hope that their sense of humor has not also been impaired.

But our part in this affair is to play the good sport—which biblically is to offer the other cheek after the other has been battered thoroughly. I thought all the actors tonight were hilarious in their sheer amateurism, but they must be given a triple A for effort, effect and humor.

In fact, I consider the script as professional as the scripted scenarios the Presidential Management Staff prepares for our out-of-town Cabinet meetings. Roman Floresca was as good in impersonating the president as Erap Estrada. He had the cigar properly angled in his mouth. I now put him (Romy Floresca) on the list of Presidential wannabes who merit my endorsement in 1998.

And then we have had a lot of fun watching all the journalist actors muff their lines and dance steps. If deskmen and reporters can commit lapses in grammar and spelling in their news stories, they surely have a right to commit the equivalent on stage.

Beyond highlighting each other's shortcomings wittingly or unwittingly, however, the Gridiron is supposed to signify something pregnant and profound—and that is the unique and necessary relationship between the press and government in a democracy like ours. The relationship sometimes seems unendurable or inconceivable or unbearable, but as in a good marriage, after we work through its ups and downs, we realize that there are many blessings.

One blessing surely is the fact that it tests the patience and humility of power. We who are entrusted with power—in government and in the media—need to be constantly reminded that we are just its temporary custodians—for the price of not knowing each other's limits is high, both for the people and for the nation.

### **A turbulent marriage**

Another is that the very turbulence of marriage—the constant nagging, the heckling and the occasional quarrel—provides the situation of finding ways to formulate policies that best serve the public interest. Sometimes the press is right; sometimes the government is; and sometimes we are both wrong. Eventually, the push and pull of our relationship shows us what is right.

On a previous Gridiron roast I had quoted and I quote again now A. J. Liebling, who maintained: “Freedom of the press belongs to the man who owns one.” How profound indeed was his observation but I keep running into some newspaper owners who say that they cannot even get their own newspapers to say what they believe in—even in the editorials.

To all and sundry, the lesson is plain. You do not control the press by silencing it any more than you control a man you have silenced. Sooner or later, the cracks will appear.

The better way, as I have come to believe from my 50 years in public life, is to engage the press in dialogue and in friendly exchange while trying to do one's best by the people and the nation. You take in many punches this way, but you will surely also score points for as long as things are done fairly well.

Sometimes amid the crucible of this and many other Gridiron nights, I have fantasized what a joy it would be if we in Government could also stage our version of a gridiron— with you in the media as the punching bag.

Our show would also have an all-amateur cast, heralded by senior amateurs like the Senate President, the Speaker of the House, the Presidential wannabes, the leaders of business, the leaders of NGOs and people's organizations and, of course, the First Lady and myself.

We will invite members of the press, TV and radio as our main audience, and we will have a special table reserved for NPC President Lobo, his fellow officers of the National Press Club, and the owners, publishers and officers of newspapers and the broadcast networks.

### **Reward in Heaven**

In the skit, enterprising reporters and deskmen will present press releases and advertisements as legitimate news, without the readers knowing any better.

Neither will the readers see the difference between a broadsheet and a tabloid, because both are peddling sensational news. It's strictly a matter of size.

In one skit, an editorial conference is taking place. The publisher tells his staff that they should always look for stories that depict the exploitation of people. When a deskman reminds the publisher that they too need an overdue raise themselves, the publisher answers that their reward will be in Heaven.

Then we will have a skit about what it takes to be a columnist. An applicant does not have to be bright or write well. He or she only has to have the desire to write and have plenty of opinions that do not have to be consistent. He or she can even hire a ghost to write the column for him or her.

The possibilities for making fun of the media are endless. We can imagine a situation where the Comelec annuls the results of the annual NPC elections because of vote-padding and vote-buying.

All in all, I think we will have fun presenting our version of Gridiron Night. We expect the press to be present and not to take us seriously. Admission will be cheap. At only P15,000 per table including the E-VAT, just like tonight.

But of course this could only be a fantasy in the Philippines. In some countries this would not be fantasy but unfortunate reality. We thank our people and the good Lord that it is not so with us.

### **Servants of the people**

Government and journalism need this kind of Gridiron give-and-take because it is through criticism that we walk the straight and narrow path toward fulfilling our respective roles in society. Looking at each other eyeball to eyeball, we see the many obstacles along the way, but we also see our work laid out more clearly.

In the last analysis, we are all servants of our people. It is they who will insist that public officials do what is right, and that journalists and the media present them with the news in as straight and objective a manner as possible. It is the people who will reform us into becoming better public servants and better journalists.

For now, let us be grateful for this evening of fun and laughter. It has been said by a number of foreign observers that one of the most remarkable things about us Filipinos is our gift of laughter—even during wakes. We—young and old, rich and poor—smile and laugh all the time, even when we are surrounded by so many vicissitudes.

I say to them, this is our unique blessing as a people. Were it otherwise, the Philippines would have fallen apart a long time ago. It is because of this gift of humor and laughter that we get up every morning and go about the cares of life—despite all the things we read in the newspapers and see and hear on TV and the radio, and despite occasional bungling by government.

At the Philippine National Police Academy, a well-known adage is prominently displayed. It reads: “The average citizen expects the police officer to have the wisdom of Solomon, the courage of David, the strength of Samson, the patience of Job, the leadership of Moses, the faith of Daniel, the diplomacy of Lincoln, the tolerance of the carpenter of Nazareth, the kindness of the Good Samaritan and finally an intimate knowledge of every branch of natural, biological and social science.”

This expectation should apply to all public servants, high and low, including the President—and also to media practitioners, veterans and cubs.

*Source: Presidential Museum and Library*

Ramos, F. V. (1997). *Leadership for the 21st century : our labors today will shape our country's future*. [Manila] : Friends of Steady Eddie.



## **Speech of President Ramos at the 17th National Conference of Employers**

**Speech  
of  
His Excellency Fidel V. Ramos  
President of the Philippines  
At the 17th National Conference of Employers organized by the Employers' Confederation of the Philippines**

[Held at the Shangri-La Hotel, Makati City, April 22, 1996]

**The  
of human capital**

**importance**

IN TAKING for its theme, “Harnessing Human Resources: The Ultimate Strategy,” this 17th National Conference of Employers is timely and to the point.

Today the prospects of a nation depend as never before on the quality and relevance of our human resources. Dr. Jose Rizal, in his time, opined that before nationhood, we must first have an educated citizenry.

Today nations are discovering that capital is embodied less in land, factories, tools and machines—and more in the knowledge and skills of human beings.

### **Human resources and globalism**

According to economists and management analysts, two great forces are driving this new focus on human capital.

One is globalization—the integration of economies in world markets, especially with the onset of the GATT-WTO regime.

The other is liberalization—the emergence of economies from varying degrees of command structures to markets.

These forces have ushered vast changes in the labor markets of our day. This is especially true of the Asia-Pacific region today, which is home to the two fastest growing regions in the world: East Asia and Southeast Asia. While various factors have come to play in the economic dynamism of Asia-Pacific countries, most analysts see human resource development (HRD) as the most critical factor for success.

They point out that while in the past HRD policies in the Asia-Pacific region generally emphasized labor absorption, nowadays HRD policies seek to provide strong linkages between education and skills development and structural change in the economy. In a human resource-driven strategy, the competitive edge of the economy is based neither on commodities per se nor on low-wage labor—but on skills, entrepreneurship and research.

This strategy was initiated particularly by countries that did not have the advantage of ample natural resources. Japan blazed that trail and the first tier of industrializing countries in Asia followed suit, namely South Korea, Singapore, Hong Kong and Taiwan.

In the process of this shift, these economies not only experienced rapid growth but also effectively mopped up unemployment. In fact, these countries have emerged in varying degrees with labor shortages accompanied by a rising level of real wages.

It is within this matrix of purposive development that the Philippines today seeks to find its own future. Human resource development constitutes a major linchpin of our development strategy.



## **The Philippine strategy**

Simply stated, the strategy is to create—within the shortest possible time—a world-class workforce out of our country's abundant human resources so as to compete successfully in the world.

There is no other way. And we have no greater resource to draw upon than our people. To make our way in the emerging world order, we must improve in quantum terms the productivity of our economy.

Improved productivity requires not only capital investment but also a workforce that has the flexibility to acquire new skills for the new jobs emerging as the structure of the economy and occupations change.

Two factors may be considered prime determinants in the creation of a world-class workforce.

One is labor productivity, or the value of goods and services produced by a worker. The other is the flexibility of the workforce, or the ability of workers to move across sectors of the economy and between industries as the structure of the economy changes.

## **Increased productivity the good news**

The higher we increase both our labor productivity and our labor flexibility, the more will our economy acquire and adapt the technology needed to produce better quality goods and services at lower cost and to shift the structure of production to new markets and products.

The good news now is that one of the significant fruits of our economic reforms is the increase in real terms of our labor productivity.

The effectiveness of skills training in both the public and private sectors is more crucial than ever in improving national competitiveness. To maximize our response, we must fully mobilize the training capacity and potential of employers and improve the efficiency and effectiveness of public training.

The challenge to us is the creation of nothing less than a new learning environment. Simply plodding along the old routes of educating and training our people will not do it for us in the extremely competitive world we want to enter.

The skills of reading and writing, calculation and problem solving are fundamental in achieving productivity in all forms and levels of employment. Virtually all skilled jobs require some level of competence in estimation, measurement and both written and oral communication. The value of these skills grows as new technologies and accompanying changes in the organization of work increase the level and complexity of jobs.

Literacy, numeracy and communications skills can be learned adequately at the level of good basic education. Good elementary education can provide an adequate foundation for much semiskilled work in small enterprises and traditional industries. However, secondary education is increasingly needed for skilled and technical work in the modern sector of our economy.

As an integral part of our comprehensive policy reforms, the Government has already adopted sweeping reforms in the structure of our educational system—to ensure, among other things, that the skills needed in a rapidly changing labor market are adequately and efficiently provided.

The Philippine education system now effectively consists of a three-layered structure, each layer represented by an institution with separate functions and objectives.

## **Middle-level manpower**

At the apex of this structure—to oversee tertiary education—is the Commission on Higher Education, which was created by Republic Act 7722, or the Higher Education Act of 1994.

The base of the structure, which will be formally institutionalized by legislation into a functional Department of Basic Education, will administer elementary and secondary education.

Both the apex and base deal with formal education. The dynamic middle layer of the educational system has been institutionalized through the creation of the Technical Education and Skills Development Authority (TESDA) by Republic Act 7796, or the Technical Education and Skills Development Act of 1994.

Let me elaborate a little bit on what we envision with TESDA, because this lies on the cutting edge of your concerns in industry.

Under the TESDA Act, it is laid down as state policy to provide technical education and skills development of high quality to Filipino middle-level manpower responsive to national development goals and priorities. Middle-level manpower denotes those workers who have acquired practical skills and knowledge through formal or nonformal education and training equivalent to at least a secondary education—as well as skilled workers who have become highly competent in their trade or craft as attested by industry.

### **The national apprenticeship program**

TESDA is governed by a multisectoral and tripartite board, composed of the secretary of labor and employment as chairman, and the secretaries of education, culture and sports and of trade and industry as vice-chairman; as ex-officio members, the secretaries of agriculture and of the interior and local government and the director-general of the TESDA secretariat; and as sectoral members, four representatives from the employers-industry sector, four representatives from the labor sector, and two representatives from national associations of private technical-vocational institutions.

TESDA is now the sole authority responsible for planning, setting standards and allocating government resources for technical, vocational and skills development. It has also taken over the implementation of the national apprenticeship program and the dual training system envisioned by Republic Act 7686 or the Dual Training System Act of 1994.

One of the most critical mandates of TESDA is the formulation of a comprehensive development plan for middle-level manpower based on a national employment plan. Upon approval by the President of the Philippines, it becomes the plan for technical education and skills development for the entire country within the framework of the National Development Plan.

The creation of TESDA does not merely integrate and merge technical and vocational education and training into one body, it also practically places them in the hands of the private sector. The complementary role of the public and private training institutions in technical education and skills development is facilitated through their representation on the TESDA Board. To realize a functional partnership between the public and private sectors, the law calls for the creation of technical and skills development committees at the regional and local levels.

### **Unemployment and mass poverty**

Under the new setup, manpower development therefore ceases to be the sole responsibility and concern of the Government. You of the private sector, being the end users of trained middle-level manpower, are in the best position to determine and provide for the manpower needs of industry.

Our task would not be complex if our workers are already in the pool ready to profit from the combined facilities of our private and public training institutions. But in truth, a large number of our labor force are still outside the loop—especially in regard to the opportunities provided by industry and the services sector.

This brings us to the two major challenges we face in this country: unemployment and mass poverty.

While skills training can increase worker productivity and flexibility and thus economic growth and welfare, this is possible only if there is a market for such skills.

For the hundreds of thousands of the educated unemployed and underemployed, overseas employment offers an option of last resort. This chronic structural defect of our economy could be both the cause and the effect of the macroeconomic imbalances that are precisely being addressed by our ongoing structural reforms.

As the reforms take effect and produce the desired results, we shall experience the same process that all the industrializing economies have gone through—an expanding and dynamic modern sector that increasingly produces more of the nation's wealth and absorbs more of its labor force.

It is in this sector where the close correlation and linkage between general and basic education and technical and vocational education are most important.

We cannot meet the challenge unless we meet it together. It is time for the Government and the private sector to come to terms on the financing and provision of training.

The Government and the private sector especially the employers must jointly address the poverty of the Filipino nation and the poverty of the Filipino family through the generation of jobs and livelihood opportunities. Human resource development and productivity are the connecting links that will make our campaign against poverty a success.

### **The private sector's training role**

A developing country like the Philippines faces two enormous challenges: first, improving productivity under severe resource constraints and second, responding to competing demands for public education and training resources, not the least of which is improving access to, and the quality of, basic education.

The most that Government can do effectively with its limited resources is selective public intervention, especially in areas where market imperfections limit the extent and quality of employer training. At its end, the private sector has to complement these actions of Government.

You the employers must do your part. You must face up to competition in the market, being the user and beneficiary of trained skills. To ensure the continued flow and quality of such skills, you have to help in filling training needs created by international competition and by the spread of new technologies and management processes.

Training by private employers can have both economic and institutional advantages.

Enterprises can effectively provide training as a complement to investments in plant and equipment or in support of changed management and production processes.

Moreover, investment by employers in the skills training and upgrading of employees is an investment in their own productivity and, hence, the profitability of the firm. On the other hand, when individuals decide to acquire some training, they do so in the expectation that it will help them improve their incomes, by enabling them either to enter employment or to move to higher-paying jobs in their current firm or with another employer.

### **Government's approaches**

In spreading the burden of training to the private sector, the Government has evolved a number of approaches.

The oldest structures that have been established under the mandate of the defunct National Manpower and Youth Council are the industry boards in a number of critical industries. These boards are nonstock, nonprofit technical foundations with a tripartite composition.

The industry boards are primarily responsible for the development and implementation of training schemes, trade skills standards, trade testing and certification in their respective sectors.

To date, nine industry boards have been established in the following sectors: automotive, apparel and textile, utilities, construction, land transportation, tourism, printing, metals and engineering, and furniture.

The market coverage of the industry boards totals 24,800 member-firms, with 3.1 million workers represented by 68 national organizations, 6 labor organizations and 26 Government bureaus and departments.

The Industry Capability Buildup Program (ICBP) directly addresses the manpower development requirements of the industrial sector and subsectors, the industry boards and the 15 export winners and growth areas identified in the Export Development Plan of the Department of Trade and Industry and in the Technology Manpower Development Plan of the Department of Science and Technology.

The ICBP is funded mainly by the World Bank Vocational Training Project II within a five-year time frame. It adopts trainer training as a central strategy in reaching out to at least 50 percent of the workforce in identified growth areas to make Philippine labor and management globally competitive.

Also, under a training assistance contract with TESDA, training institutions are given the opportunity to develop their capability to provide quality and cost-effective technical education and skills development programs and related opportunities. In this connection, a major component of the ICBP concentrates on the development of capability in the private sector—small, medium and large companies—to deliver training.

### **Bringing our people up to speed**

Other schemes where more effective partnership and coordination is sought include trainer training, training technology development, entrepreneurship development, and trade training.

Under the new institutional framework, Government is now in a better position to catalyze increased private-sector participation in human resources development. But this can only bear fruit if you in the private sector are willing and ready to do your part.

Let me now summarize and conclude.

We now live in a world where the progress we get depends on the kind of human capital we have. The Philippines must develop higher skills among our people or forever remain in the backwaters.

Our one advantage is that we are a country with lots of human resources. But much of this capital is still untrained and unprepared for the requirements of competition in the global economy.

To bring our human resources up to speed—as you say in business—we have to build nothing less than a new learning environment in our country. We must match our people's passion for education with institutions and systems that can enlarge their minds and their skills.

### **A new learning environment**

We have to virtually turn our educational system on its head, and start afresh. And we must do this task together—Government by reforming the educational system and the entire institutional framework for education and training; the private sector by involving itself in the training of people for their specific needs.

In our folklore, it is said that the sky above the world is held up by many hands, and not just by the hand of Providence. I see progress also as a sky that must be held up. Government must do its part to hold it up. You in the private sector must do yours with even greater vigor and commitment.

Only in this way—each by doing what we must—will the sky of progress light our country and our lives.

*Source:* **Presidential Museum and Library**

Ramos, F. V. (1997). *Leadership for the 21st century : our labors today will shape our country's future*. [Manila] : Friends of Steady Eddie.

### Speech of President Ramos at the 8th anniversary of the Office of the Ombudsman

[Delivered at the MWSS Building, May 10, 1996]

AS WE gather here, our people are troubled by the recent instances of corruption in the public service that have come to light.

## The mission of the Ombudsman

Before this, we had an office in Government that specifically addressed the issue of maintaining high ethical standards in government service, the Civil Service Commission. But it did not have the capability to enforce these standards, let alone the capability to investigate wrongdoing in the public service.

In Section 13, Article 11 of the Constitution, we see clearly defined the mission of the Ombudsman—its powers, functions and duties. Allow me to stress here just two key points about your mission:

One is that the Ombudsman can investigate on its own, or on complaint by citizens, any act or its omission by public officials and employees that appears to be illegal, unjust, improper or inefficient.

The other is that the Ombudsman must assist in determining the causes of inefficiency, red tape, mismanagement, fraud and corruption in the Government and make recommendations for their elimination.

## Making public officials accountable

In our current campaign against criminality and corruption, you of this office have a vital role to play. We will not succeed unless you do your part in making our public officers more directly accountable and in dispelling the climate of cynicism that infects citizens' perception of Government.

Our country today is in the midst of a major economic modernization and social reform drive. Today, as never before, we see the promise of sustained progress and social cohesion before us. We see our country moving ahead, instead of lagging behind, for a change.

But while our momentum is clear, there still remains the danger that we may fall short of our goals. One problem surely is the threat that selfish political partisanship poses to the program of reform. Another is the possibility that our Government service will not measure up to the task of shepherding our passage to progress—because of lack of professionalism, because of corruption and because of sheer public cynicism toward Government.

Let me deal with the second point bluntly. Too many people in this country have the impression that public servants are lazy, incompetent and corrupt as a general rule. And the resulting cynicism is reflected in many less-than-qualified candidates running for public office and in little public support for measures that would make public service jobs attractive to the best qualified men and women in our country.

You and I know, however, that for every rotten egg in the basket of Government, there are many more who are honest, competent and dedicated. But, because we are not effective in weeding out the corrupt and incompetent in the ranks, the whole structure of Government suffers in the people's esteem.

It is in this light that we cannot overemphasize the importance of the Office of the Ombudsman, as well as other agencies concerned with ethical conduct, in restoring public trust in Government. The challenge, let us say frankly, is not easy to meet. For we are facing a problem that has been embedded in Government for generations. It is a problem that over time has been abetted by a cynical public's tolerance and by a bureaucracy suffering from low pay and difficult work conditions.

But complex as the problem may be, we must strive to wipe it out. And the way to do it is not by cursing the menace, but by confronting it head-on. Like those on the proverbial journey of a thousand miles, we get to our destination step by step.

### **The spirit of ethical government**

If laws against graft and corruption were enough, we should be rid of the menace by now. But these are clearly not enough. In a book entitled *Honest Government*, a sobering reminder reads:

“Ethical government means much more than laws. It is a spirit, an imbued code of conduct, an ethos. It is a climate in which, from the highest to the lowest ranks of policy- and decision-making officials, some conduct is instinctively sensed as correct and other conduct as being beyond acceptance.” To me, ethical government is a component of the culture of excellence the Ramos Administration has worked hard to put in place these past four years.

I believe that “excellence” comes with the following essentials: a lofty purpose, creative diligence to solve problems and a deep personal commitment and willingness to work toward its achievement. These in turn must be bound and encompassed by a passion to be better than others. Passion combines courage and self-respect. It means staying on with tenacity long after others have thrown up their hands in despair. It means always going well beyond the comfort of “*pwede na ito*.” It means staying awake and laboring for long hours because being less than the best is never good enough.

### **Doing one's best**

It means regarding challenges that others are afraid of as opportunities. It means doing one's best—because it is the right thing to do by one's self and by others.

What is hurting our efforts to improve conduct in public service is the widespread perception that there is one rule for the rich and powerful, and another for the ordinary employee. Like it or not, this is what the public sees. This is why many keep looking for the big fish to be hauled in, even as some small fry are sent by the Sandiganbayan to hundreds of years in prison.

I do believe, however, that today we are moving in the right direction. Partly because of our reform program and partly because of public clamor, we are putting in place the mechanisms and procedures for policing more

effectively our public service. More are being charged with official misconduct, and they involve not just some small fry, but some big fish too. And more are being dismissed from the service.

In this campaign, you of the Ombudsman's office are playing the major part. I find it noteworthy, for example, that today on your eighth year, the office reports a total workload of some 55,000 criminal and administrative cases, including the 13,000-plus pending cases of the old Tanodbayan. Of this total workload, about 40,000 have been disposed of or finished by the Office of the Ombudsman.

Of the disposed cases, 12,400 were filed either with the Sandiganbayan or with the regular courts, jointly representing 38 percent of the disposed cases. The remaining 27,500, or 42 percent, of disposed cases were either dismissed for lack of merit, archived or referred to other agencies with appropriate jurisdictions.

It is also commendable that the Ombudsman has embarked on several graft-prevention activities—such as: the installation of a resident Ombudsman in 15 graft-prone agencies; the launching of an instructional material development program; the conduct of workshops on values orientation; the reinforcement of public assistance mechanisms; the strengthening of your fact-finding and intelligence-gathering capabilities; the intensification of research and systems studies for remedial measures; the accreditation of 269 corruption prevention units nationwide; and the establishment of junior graft-watch units.

### **Intensify your campaign**

All these are positive steps indicating that the Ombudsman's office is not standing still in the fight for honest government. But we would be naive to suppose that these alone will suffice to make our public servants more responsible and honest. Clearly we need to intensify and fast-track the campaign on your end. But what you do must be matched as well by purposive action on other fronts.

On the basis of my 50 years of almost uninterrupted public service, I have come to believe that fundamental change in official conduct will arise only when there is a concerted effort from all sectors to demand and insist on quality and honesty in public service.

As in the fight against crime, the entire officialdom and concerned citizenry—all of us—must be involved in the fight against official corruption. All sectors must do their part to enforce a new climate of ethical conduct in government.

It must involve the citizenry, who should expose every instance of graft in their dealings with Government officials and employees. It must involve our business sector, which should expose rather than abet corruption in the government service. It must involve our educational institutions and the churches, which provide the ethical foundations for our men and women in public life. It must involve our elected public officials and politicians, whose practices have greatly influenced and, in some instances, even distorted the very character of our public service.

Above all, it must involve every official at the top of our Government bureaucracy, whose leadership and dedication can make the big difference in creating a climate of integrity in the public service.

### **Honest government in our time**

It has been wisely said that a political Gresham's law exists in every government. If there is an atmosphere of corruption, it will attract the bad eggs into government and drive out the good. On the other hand, if there is a climate of rectitude in the public service, it will attract the good players and force out the corrupt. As long as we tolerate the notion that politics and public service are a "dirty business" and do nothing about changing the situation, we are going to be stuck with officials and employees who are indeed incompetent and corrupt.



But if we insist, as we must, that politics and public service are instruments for promoting and protecting the people's welfare and the national interest, then we Filipinos have a good chance of achieving honest government in our time, and of moving on to the 21st century with our heads held high, armored with a culture of excellence.

*Source:* **Presidential Museum and Library**

Ramos, F. V. (1997). *Leadership for the 21st century : our labors today will shape our country's future*. [Manila] : Friends of Steady Eddie.

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**Address of President Ramos to the “International Conference on the Future of Asia”**

**Address  
of  
His Excellency Fidel V. Ramos  
President of the Philippines  
To the “International Conference on the Future of Asia,” sponsored by Nihon Keizai Shimbun**

[Delivered at Hotel Okura, Tokyo, Japan, May 17, 1996]

**Building  
and acting together**

**mutual**

**trust**

EVERYWHERE in Asia, consultation and consensus are deeply ingrained in our traditional cultures. The ancient concepts of *musjawarah*, *mufakat*, *goi-keisei* and our own Filipino tradition of *bayanihan*, all imply the same notion: first, build mutual trust—then act together.

We Asians are perhaps more culturally attuned to this kind of interaction than our friends in Europe and America. We value the fine gesture, the discreet word, and the merits of harmony among the members of a community.

Self-projection is not our style.

These sober habits have nurtured among us a preference for the careful and quiet diplomacy that has fostered regional stability in Asia for more than two decades now.

**Dealing with real needs**

Of course, we do not forget that Asia-Pacific once endured the “hottest wars” of the Cold War era—in the Korean and Indochinese peninsulas. And that we have had our share of massive armed conflict within and between some of our countries in the years after 1945.

By and large, however, we Asians have consigned those conflicts to history. While a few areas have not entirely escaped the sorrows of strife, most of our countries have settled down to dealing with our real needs—which for all of us mean national development and modernization.

Over time, there has arisen among us a pragmatic consensus on two factors that have shaped Asia—especially Southeast Asia—into what it is today.

First, all of us have buckled down to building up our societies—using the power of the market and the incentive of economic gain as our principal instruments for change.

Second, all of us agree this objective is best achieved by maintaining and, where possible, enhancing the climate of regional stability.

Nowhere is this consensus more evident than in East Asia—which has risen from turmoil and conflict to become the most dynamic region in today’s world.

That we had outside help in this transformation is clear. The regional presence of the United States was useful in providing some measure of certainty during periods of occasional tension and strife.

But it was our own countries that did the hard work. Without our individual commitment to focus on development—without our collective understanding to nurture amity among us—there would have been no Asian economic “miracle.”

### **East Asia’s qualities**

Peering into the future—as this conference bids us to do—we see the zone of progress extending and widening to more lands and regions in our continent.

East Asia will remain a nest for rearing economic dragons. As the East Asian newly industrializing economies (NIES) have followed Japan on the road to development, so now the ASEAN countries—and China—are following in their tracks.

As ASEAN moves toward full modernization, so too will it draw the rest of Southeast Asia—Cambodia, Laos and Myanmar—into the mainstream of development.

And so also, it would seem, will the lands of South Asia modernize—once their cry for development finally overcomes the drums of conflict.

East Asia’s amazing growth has many unique qualities. To me, one of the most striking is that our progress has not been at one another’s expense.

Our region is meshing closely—through economic integration woven by increasing intraregional trade and investment. Trade among East Asians is already larger than our transpacific trade with North America.

The Asian NIES, including some ASEAN countries—and now even China—have emerged as important capital sources.

Nor is East Asia, in its ascent to new heights, shutting itself off from the rest of the world.

### **Advocacy of open regionalism**

East Asian economies are among the most fervent advocates of open regionalism in the Asia-Pacific Economic Cooperation (APEC).

And it is we of East Asia who are trying the hardest to use the APEC Forum to keep the western and eastern rims of the Pacific together.

Last March, East Asian countries initiated a new partnership for greater growth with Europe—through the Asia-Europe Meeting process. This partnership will augment Asia-Europe ties, and will enhance our two-way economic and political cooperation.

Greater symmetry in relations among Asia, Europe and North America—the three growth poles of the world economy—will also benefit global stability.

Taken altogether, these are the foundations for an even more bountiful future—provided our train of regional growth stays on track.

### **Regional political concerns**

But, however splendid our economic prospects are, this is no time for complacency. We stand on a slope charged also with problems and uncertainty.

Although we are managing them rather well, we do have political problems—mostly territorial in nature—that remain unresolved.

Then, also, much of our region's prosperity depends on sea-borne transport—and most of our countries are making extensive and increasing use of the marine resources in the waters which we all share. This imparts a special sensitivity and urgency to the maritime disputes affecting the coasts and the overcrowded seas of Asia.

These disputes stretch from the Bay of Bengal, through the South China Sea and the Sea of Japan, and onto the Sea of Okhotsk and the Northwest Pacific.

In addition, the rivalry between India and Pakistan, the China-Taiwan question, and rising regional arms spending are major concerns. And there are newer problems, such as transnational terrorism, drug trafficking and religious extremism, that we must deal with.

It is ironic that, while regional economic cooperation has flourished, regional political interaction and security cooperation have yet to be fully developed.

In this respect, East Asia is an exception among the world's major regions. The Americas have the Organization of American States (OAS). Africa has the Organization of African Unity (OAU). The Arab nations have the Arab League. Europe has the European Union (EU), the Conference on Security and Cooperation in Europe (CSCE) and a host of other regional political institutions.

Only ASEAN—which is active in functional, economic, political and security cooperation—enjoys a real presence as a political grouping in Asia.

Asia's other political organizations have not so far developed beyond the embryonic stage.

### **Upgrading political cooperation**

Thus, I believe it is time we upgraded our institutions of political cooperation—to reflect more accurately the intensity of our economic and security interdependence.

The lack of mediating regional institutions can engender regional instability—particularly when political problems are serious and deeply felt.

ASEAN has played a major role in rebuilding East Asia's security architecture for the post-Cold War period. Indeed, ASEAN has become the core of East Asian stability.

ASEAN offers its Treaty of Amity and Cooperation as a norm for resolving regional disputes. In Bangkok last December, ASEAN heads of government agreed on a nuclear weapons-free Southeast Asia as their contribution to disarmament and nuclear nonproliferation.

### **Toward one Southeast Asia**

Recently, ASEAN undertook to strengthen ties with Laos, Cambodia and Myanmar (ASEAN + 3)—in pursuit of its vision of creating one united community in Southeast Asia. Such a Southeast Asian community would enable us to shape our collective future according to our collective aspirations. A united Southeast Asia will also reinforce peace and promote development in the region.

Just as significant was ASEAN's launching of the ASEAN Regional Forum (are) in 1994—as the venue for a region-wide dialogue on regional security issues.

ARF provides a focal point for contact among our governments on how to enhance our common security. It operates by consensus—avoiding Cold War-type divisiveness and confrontation.

ARF works on the principle that our regional security arrangements should not move faster than all our countries can run.

Yet, it is just as true that we cannot afford to stand still in our collective effort to reduce or solve our political problems. We must find the means—whether in the ASEAN Regional Forum or in other regional conclaves—to improve cooperation and promote common action on the political issues of our time.

Three of these issues command our urgent attention.

The first is the role of the three regional giants—Japan, China and India—and of “SEA-TEN”—the community forming among the ten states of Southeast Asia.

The second is the South China Sea.

And the third is the nonproliferation of nuclear weapons and the peaceful use of nuclear energy within the region.

### **The Asian giants and Southeast Asia**

Destiny has brought the three Asian giants and a unified Southeast Asia to center-stage. And East Asia must come to terms with the reality that their emergence will require a rewriting of the rules of the game in regional affairs. All Asian states have a critical stake in joining this process.

Japan has been an economic superpower for at least three decades. It has been cautious but consistent in its moves to gain a higher regional profile. Now Japan is in search of a new global role.

Certainly, Japan should play a larger role in the world community commensurate with its economic strength. And this new role should be manifested—and facilitated—by a permanent seat in a reformed Security Council.

The Philippines supports such a role for Japan—because it will advance Asia's interest and project Asian perspectives in the community of nations. And we welcomed the joint declaration on Japan-US bilateral security cooperation announced last month.

But the Philippines also hopes that Japan will use its enhanced position to promote a closer kind of regional security dialogue and cooperation—at this stage, principally within the ARF.

### **Integrating China in East Asia**

With similar understanding and concern, we must consider China's role in the future of Asia.

In less than a generation, China has achieved a feat of modernization unprecedented in history.

Today China is the world's 11th largest trading nation. It may well be on its way to becoming the world's largest economy early in the next century.

China is a part of our region: East Asia stands or fall with it.

Our common aspiration—which is nothing less than the continued progress of our Asia-Pacific region—depends to a great extent on China’s integration with the rest of the region.

The Philippines already has a comprehensive bilateral relationship with China. We support a dialogue-relationship for China within the ASEAN framework as well.

With closer dialogue, we seek to continue our frank exchanges with China on issues of mutual concern—and to ensure that China remains a full participant in setting our regional agenda.

### **Forging cooperation with the new India**

Similarly, India—given its size and its new economic liberalism—is achieving remarkable progress—measured, for example, in its achievement of virtual food security and self-sufficiency.

Now India is reaching out to East Asian nations. We should encourage these moves. The Philippines, for one, is eager to develop mutually-beneficial linkages between India and East Asia.

Meanwhile, in Southeast Asia, we are consolidating the foundations of a regional community embracing all our ten nations.

Within East Asia, the region is already an economic center in its own right. It contains Indonesia—the largest Islamic nation in the world and the biggest country in Southeast Asia—which has been a paragon of stability and development in ASEAN.

It has Singapore, a newly industrializing economy of long standing, and the echelon of fast-growing developing countries composed of Malaysia, Thailand and the Philippines.

Southeast Asia contains also the new investment frontiers of Myanmar and the former Indochinese countries, which are also associated with ambitious plans for developing the greater Mekong basin area.

### **A concert of middle powers**

The Asian middle powers—no less than the Asian giants—must have a role to play in crafting the future of Asia.

In fact, we in ASEAN—like Australia and New Zealand—have shown that those of us in the middle can be active and significant players—if not in economic and military might, then in the power of ideas and in the area of moral persuasion. We in the middle cannot merely be passive spectators of the interplay among the great powers.

By strengthening our own linkages and pooling our talents, capabilities and resources, we in the middle—as a concert of middle powers—can be a voice for moderation, fair play and mutual respect in the Asia-Pacific.

A second priority area for regional political cooperation is the South China Sea.

The area today is a vortex of long-standing and multiple disputes. These involve issues of historical rights, sovereignty, jurisdiction, access to economic zones, control of resource development, the management of marine pollution, and the conservation and protection of the environment.

Overlapping claims on offshore petroleum and gas resources are a particular concern. The importance of these resources may increase as East Asia’s demand for energy grows, as offshore production technology improves, and as China, hitherto a big oil producer, becomes a much larger net fuel importer.

Furthermore, the South China Sea engages the security interest of many countries outside the region—which are concerned about the freedom of navigation in the Asia-Pacific.

### **Asian-style cooperation**

We of the Philippines have always maintained that these disputes can be resolved only through Asian-style regional diplomacy and consensus.

Our Government has held talks with the other claimants. Last year, we concluded separate bilateral codes of conduct with China and Vietnam, which are designed to reduce the chances of accidental conflict in the South China Sea.

Even so, the Gordian knot in the South China Sea cannot be cut bilaterally. We must find other mechanisms to help resolve the complex issues. Consequently, we are giving the various issues a good regional airing within the ASEAN Regional Forum. We have also brought them up during ASEAN-China consultations.

Indeed, the 1992 ASEAN Declaration on the South China Sea was a significant contribution toward their peaceful resolution.

We have also given full support to the regional ” track two” system of unofficial discussions and cooperative activities, which brings together all the states with interests in that maritime area. We value, in particular, the workshop series on managing potential conflict in the South China Sea sponsored by Indonesia.

But “track two” is not enough. We cannot continue to treat these vital regional problems at arm’s length. I feel the time has come for us to consider intensifying the official “track one” talks alongside the “track two” activities.

In the Philippines, as in all of East Asia, we eat rice cakes. Our indigenous rice-cake—called *bibingka*—is cooked between two fires, one placed beneath the mixture and the other on top.

Perhaps if we extended the *bibingka* treatment to the South China Sea problem, we will produce the right temperature to get the conciliation process moving.

### **Nuclear nonproliferation**

A third priority for regional political cooperation is the nonproliferation of nuclear weapons and the peaceful use of nuclear energy in East Asia.

The International Atomic Energy Agency (IAEA) projects a basic shift in the global nuclear energy picture away from North America and Europe toward East Asia. Over the next 20 years, the share of nuclear power in total electrical power production is expected to decline in North America and Europe.

In contrast, the share of nuclear energy in total power generation is projected to remain constant in Northeast Asia. This means that the use of nuclear energy will increase, because power demand will continue to rise with the region’s dynamic growth, industrialization and urbanization.

Japan and the Republic of Korea have very ambitious expansion programs. China has begun large-scale production. North Korea is trying to build up its civilian capacity for nuclear power.

In Southeast Asia, Indonesia and Vietnam are said to be considering joining this peaceable “nuclear club” themselves. Other developing countries may, in fact, be studying the option because—as the IAEA explains it—for decades to come, the only viable choice facing energy-starved developing nations is between fossil fuel and nuclear power.

This trend raises justifiable fears about the risk of nuclear weapons proliferation; the safety of using nuclear energy; and the storage, transport, treatment and disposal of nuclear waste and toxic substances.

Alongside these concerns, the region continues to watch what is happening on the Korean peninsula. Instability over there would have dire consequences for the rest of us.

For this reason, we should support the effort of the Korean Peninsula Energy Development Organization to help Pyongyang build a peaceful civilian nuclear power program—just as we support the efforts to bring the two Koreas together.

What we must forestall is nuclear proliferation in East Asia—either clandestine or open weapons development programs or the unregulated handling of spent nuclear fuel, which could be diverted toward military purposes or become a regional waste hazard.

### **The Moscow nuclear summit**

We are encouraged by the results of last month's nuclear summit in Moscow. That summit reflected the serious commitment of the participants to cooperate in coming to grips with the issues. But Chernobyl is still very much alive in our memories.

Before too long, East Asia may have to convene its own regional nuclear conference—to establish the framework for management cooperation in this sensitive area.

Such a framework should be consistent with IAEA guidelines—and it should be open to practical participation by countries from outside the region who possess nuclear power. And it should also be an instrument for containing any form of nuclear proliferation in the region and as a supplement to ASEAN's Southeast Asian Nuclear Weapons-Free Zone Treaty.

That framework should be developed and guided by regionwide consultations. Nuclear safety is a transregional concern: it should not be left only to countries having nuclear power. We should also consider any special nuclear needs of the region's developing nations.

Just as worthy of study is the development of a possible "Asiatom" (Cooperation among Asian countries for containing nuclear proliferation, similar to Euratom), which involves mutual safeguards by member countries. This scheme should involve essentially the two Koreas, China, Taiwan, Japan, the United States, Russia, Canada, Australia, New Zealand and the ASEAN states.

Consideration should be given to the possibility of international enrichment plants, reprocessing plants and international plutonium storage.

### **Our common goal: sustainable development**

This agenda for political cooperation—if tackled by our countries in a spirit of give-and-take—should yield a consensus that will foster peace and stability in Asia.

But, even more than peace and stability, it will help spread the economic miracle to every part of the Asian continent—which is the goal we all want.

East Asia has done much better than other regions in alleviating poverty. Yet, last year, the Asian Development Bank reported that more than four-fifths of the population of its developing-country members live in countries where average annual incomes still fall below \$500.

Indeed, poverty remains a painful Asian reality.



Even in the better-off developing countries—and in the Asian NIES—bottlenecks in development have become so serious that a concerted regional effort is now necessary to overcome them.

These bottlenecks include the widening infrastructure gap. An Asian Development Bank seminar last month estimated that Asia will need \$6.9 trillion for spending on new infrastructure over the next quarter-century. Traditional modes of finance—whether national or multilateral—cannot meet this cost magnitude.

We need to mobilize more private investment for infrastructure development. And for this, we must discuss ways of energizing regional financial and capital markets.

Indeed, sustainable development is a major area that calls for regional action. Massive urbanization and continued rural development are generating enormous social and environmental problems. In 1950, only two Asian cities had populations of four million or more. Today, there are 20 Asian cities with more than four million people; and 11 with more than eight million.

### **The sharing and protection of human resources**

Bottlenecks also encompass regional imbalances in human resources. Rapid growth calls for higher skill levels—but our combined workforces of engineers, technicians and professionals fall still far short of minimum national and regional requirements.

Tight labor conditions in the region might be eased through regional cooperation to spread training resources throughout the region—and to facilitate the orderly trans-regional movement and hosting of workers.

As the Asia-Pacific Economic Cooperation Council secretariat has reported, more than two million people are working outside their home countries in the Asia-Pacific. A substantial number of these are exploited and abused undocumented migrants.

I cite these glaring facts to illustrate that our long-term cooperation agenda for the region cannot be limited to the liberalization of trade and investment. The sharing and protection of human resources and development cooperation must clearly be also at the core of our concerns. Our policies of economic openness and integration must lead to tangible improvements in the quality of life for our peoples.

I do not wish to be an alarmist—but we must heed the lessons from the many industrialized countries whose social contracts are fraying badly.

In fact, the pendulum of opinion that swung so far in the direction of the free market in the West during the eighties and the early nineties may now be swinging in the opposite direction. We must prepare ourselves for this—and for the possibility that some of us in Asia may be infected by a similar change of heart.

### **Advancing APEC: mobilizing the private sector**

This brings me to my final point—and it concerns the need for APEC, ASEAN and other regional bodies to defend the regional consensus that sustains Asia's growth in our time.

The idea that our countries have common regional and also common national interests has taken time to establish itself. But I believe it is growing in our midst. And we need to cultivate it, if our Asian community is to deal with problems that lie beyond the competence of single nations.

In this spirit, my country's chairmanship of APEC this year focuses on three items of central importance to continued regional progress and stability.

First is the need to enhance regional economic and technical cooperation in a manner that combines the human, technical and financial resources of all players, developing and developed alike. Such cooperation in APEC should mobilize and provide key inputs in the development process.

This will help our developing nations to absorb the impact of their deepening integration into the global economy, and increase their contribution toward further global growth. It will enrich the developed economies own cooperation experience beyond aid in the old North-South context.

Second is the need to ensure that agreements concluded under APEC are actually carried out—and that there should be no backsliding.

We must all play our full part in moving the APEC agenda forward. No advantage will be gained by favoring one part of the agenda over the others.

We need a balanced approach—one forward-looking enough to inspire continued momentum, and also stable enough to accommodate our different concerns. This means an approach that attends to the varied interests of producers, consumers, workers and owners of capital and ideas—and yet does not lose sight of the collective goal of our common APEC endeavor.

### **Linking the private sector to APEC**

And finally, there is the need to foster a more organic link between the private sector and the APEC process. We are all agreed that if APEC is to be a real catalyst for growth and development, then it must not become just another talk-shop among presidents, prime ministers and Cabinet ministers. This we can ensure if we commit the private sectors of our countries to the official objectives and programs under the APEC umbrella.

For this reason, the Philippines strongly encourages the APEC Business Advisory Council (ABAC) to interact closely with governments on the design and implementation of APEC projects and on the research and preparation of APEC studies. ABAC-Philippines has, in fact, offered to host the ABAC secretariat.

To highlight the role of the private sector, the Philippines has also proposed convening an APEC Business Forum (ABF)—where top business leaders from the region can exchange views on the directions they would like the Asia-Pacific to take. The Forum can be held in the Philippines to coincide with the APEC leaders' meeting at Subic in November 1996.

### **Closing the gap on political cooperation**

Let me now summarize and conclude.

All our countries, without exception, have a vital stake in advancing regional cooperation. But our political cooperation has fallen behind our economic interaction. We should, therefore, focus on closing this gap.

If our political cooperation does not move forward correspondingly, then inertia and inaction could work against us. And our political and security problems will stall our future growth.

Despite East Asia's impressive economic performance, development cooperation also remains an urgent priority. If development is not kept at the center of our efforts, then disaffection could undermine the regional consensus.

Our regional menu is, therefore, a full one. And it will take all our political will and collective sense of purpose to carry it out.

But I believe we can be equal to the challenge because—as Asians—we realize the need for consensus, and we know the way to reach it.

We will move at a speed comfortable to all.

We will manage and advance through consultation and agreement.

And, even in settling the differences between us, we will preserve harmony.

This is the Asian way.

*Source:* **Presidential Museum and Library**

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**Speech of President Ramos at the International Conference on the Future of Asia**

**Speech  
of  
His Excellency Fidel V. Ramos  
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[Delivered at the Hotel Okura, Tokyo, Japan, May 17, 1996]

**A tradition of  
consensus building**

EVERYWHERE IN ASIA, consultation and consensus are deeply ingrained in our traditional cultures. The ancient concepts of *musjawarah*, *mufakat*, *goi-keisei* and our own Filipino tradition of *bayanihan*, all imply the same notion: First, build mutual trust—then act together.

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Self-projection is not our style. These sober habits have nurtured among us a preference for the careful and quiet diplomacy that has fostered regional stability in Asia for more than two decades now.

**The hottest conflicts of the Cold War**

Of course we do not forget that the Asia-Pacific once endured the “hottest wars” of the Cold War era—in the Korean and Indochinese peninsulas. And that we have had our share of massive armed conflict within and between some of our countries in the years after 1945.

By and large, however, we Asians have consigned those conflicts to history. While a few areas have not entirely escaped the sorrows of strife, most of our countries have settled down to dealing with our real needs—which for all of us mean national development and modernization.

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First, all of us have buckled down to building up our respective societies—using the power of the market and the incentive of economic gain as our principal instruments for change.

**From turmoil to dynamism**

Second, all of us agree that this objective is best achieved by maintaining and, where possible, enhancing the climate of regional stability. Nowhere is this consensus more evident than in East Asia—which has risen from turmoil and conflict to become the most dynamic region in today’s world.

That we had outside help in this transformation is clear. The regional presence of the United States was useful in providing some measure of certainty during periods of occasional tension and strife. But it was our own countries that did the hard work. Without our individual commitment to focus on development—without our collective understanding to nurture amity among us—there would have been no Asian economic “miracle.”

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Taken all together, these are the foundations for an even more bountiful future—provided our train of regional growth stays on track. But however splendid our economic prospects, this is no time for complacency.

We stand on a slope charged also with problems and uncertainty. Although we are managing them rather well, we have political problems—mostly territorial in nature—that remain unresolved. Then also, much of our region's prosperity depends on seaborne transport—and most of our countries are making extensive and increasing use of marine resources in the waters that we all share. This imparts a special sensitivity and urgency to the maritime disputes affecting the coasts and the overcrowded seas of Asia.

### **Terrorism, trafficking, extremism**

These disputes stretch from the Bay of Bengal, through the South China Sea and the Sea of Japan, and onto the sea of Okhotsk and the Northwest Pacific.

In addition, the rivalry between India and Pakistan, the China-Taiwan question and rising regional arms-spending are major concerns. And there are newer problems, such as transnational terrorism, drug trafficking and religious extremism, that we must deal with.

It is ironic that while regional economic cooperation has flourished, regional political interaction and security cooperation have yet to be fully developed.

In this respect, East Asia is an exception among the world's major regions. The Americas have the Organization of American States. Africa has the Organization of African Unity. The Arab nations have the Arab League. Europe has the European Union, the Conference on Security and Cooperation in Europe, and a host of other regional political institutions.

Only ASEAN—which is active in functional, economic, political and security cooperation—enjoys a real presence as a political grouping in Asia. Asia's other political organizations have not so far developed beyond the embryonic stage.

Thus I believe it is time we upgraded our institutions of political cooperation—to reflect more accurately the intensity of our economic interdependence.

The lack of mediating regional institutions can engender regional instability—particularly when political problems are serious and deeply felt.

ASEAN has played a major role in rebuilding East Asia's security architecture for the post-Cold War period. Indeed, ASEAN has become the core of East Asian stability.

ASEAN offers its Treaty of Amity and Cooperation as a norm for resolving regional disputes. In Bangkok last December, ASEAN heads of government agreed on a Nuclear Weapons-Free Southeast Asia as their contribution to disarmament and nuclear nonproliferation.

### **Toward one Southeast Asia**

Recently, ASEAN undertook to strengthen ties with Laos, Cambodia and Myanmar (ASEAN + 3)—in pursuit of its vision of creating one united community in Southeast Asia. Such a Southeast Asian community would enable us to shape our collective future according to our collective aspirations. A united Southeast Asia will also reinforce peace and promote development in the region.

Just as significant was ASEAN's launching of the ASEAN Regional Forum in 1994—as the venue for a regionwide dialogue on regional security issues.

ARF provides a focal point for contact among our governments on how to enhance our common security. It operates by consensus—avoiding Cold War-type divisiveness and confrontation. ARF works on the principle that our regional security arrangements should not move faster than all our countries can run.

Yet it is just as true that we cannot afford to stand still in our collective effort to reduce or solve our political problems. We must find the means—whether in the ASEAN Regional Forum or in other regional conclaves—to improve cooperation and promote common action on the political issues of our time.

Three of these issues command our urgent attention.

The first is the role of the three regional giants—Japan, China and India—and of “SEA-Ten”—the community forming among the 10 states of Southeast Asia.

The second is the South China Sea.

And the third is the nonproliferation of nuclear weapons and the peaceful use of nuclear energy within the region.

Destiny has brought the three Asian giants and a unified Southeast Asia to center stage. And East Asia must come to terms with the reality that their emergence will require a rewriting of the rules of the game in regional affairs. All Asian states have a critical stake in joining this process.

Japan has been an economic superpower for at least three decades. It has been cautious but consistent in its moves to gain a higher regional profile. Now Japan is in search of a new global role.

Certainly Japan should play a larger role in the world community commensurate with its economic strength. And this new role should be manifested—and facilitated—by a permanent seat in a reformed Security Council.

### **Regional roles for Japan and China**

The Philippines supports such a role for Japan—because it will advance Asia's interest and project Asian perspectives in the community of nations. And we welcomed the joint declaration on Japan-US bilateral security cooperation announced last month. But the Philippines also hopes that Japan will use its enhanced position to promote a closer regional security dialogue and cooperation—at this stage, principally within the ARF.

With similar understanding and concern, we must consider China's role in the future of Asia.

In less than a generation, China has achieved a feat of modernization unprecedented in history. Today China is the world's 11th largest trading nation. It may well be on its way to becoming the world's largest economy early in the next century.

China is a part of our region: East Asia stands or falls with it. Our common aspiration—which is nothing less than the continued progress of our Asia-Pacific region—depends to a great extent on China's integration with the rest of the region.

The Philippines already has a comprehensive bilateral relationship with China. We support a dialogue relationship for China within the ASEAN framework as well.

With closer dialogue, we seek to continue our frank exchanges with China on issues of mutual concern—and to ensure that China remains a full participant in setting our regional agenda.

### **Forging cooperation with the new India**

Similarly, India—given its size and its new economic liberalism—is achieving remarkable progress—measured for example in its achievement of virtual food security and self-sufficiency.

Now India is reaching out to East Asian nations. We should encourage these moves. The Philippines, for one, is eager to develop mutually-beneficial linkages between India and East Asia.

Meanwhile in Southeast Asia, we are consolidating the foundations of a regional community embracing all our 10 nations.

Within East Asia, the region is already an economic center in its own right. It contains Indonesia—the largest Islamic nation in the world and the biggest country in Southeast Asia—which has been a paragon of stability and development in ASEAN. It has Singapore, a newly industrializing economy of long standing, and the next echelon of fast-growing developing countries composed of Malaysia, Thailand and the Philippines.

Southeast Asia contains also the new investment frontiers of Myanmar and the former Indochinese countries, which are also associated with ambitious plans for developing the Greater Mekong Basin area.

The Asian middle powers—no less than the Asian giants—must have a role to play in crafting the future of Asia.

In fact, we in ASEAN—like Australia and New Zealand—have shown that those of us in the middle can be active and significant players—if not in economic and military might, then in the power of ideas and in the area of moral persuasion. We in the middle cannot merely be passive spectators of the interplay among the great powers.

By strengthening our own linkages and pooling our talents, capabilities and resources, we in the middle—as a concert of middle powers—can be a voice for moderation, fair play and mutual respect in the Asia-Pacific.

A second priority area for regional political cooperation is the South China Sea. The area today is a vortex of longstanding and multiple disputes. They involve issues of historical rights, sovereignty, jurisdiction, access to economic zones, control of resource development, the management of marine pollution, and the conservation and protection of the environment.

Overlapping claims on offshore petroleum and gas resources are a particular concern. The importance of these resources may increase as East Asia's demand for energy grows, as offshore production technology improves and as China, hitherto a big oil producer, becomes a much larger net fuel importer.

### **Asian-style cooperation in the South China Sea**

Furthermore the South China Sea engages the security interest of many countries outside the region—which are concerned about the freedom of navigation in the Asia-Pacific.

We of the Philippines have always maintained that these disputes can be resolved only through Asian-style regional diplomacy and consensus.

Our Government has held talks with the other claimants. Last year, we concluded separate bilateral codes of conduct with China and Vietnam, which are designed to reduce the chances of accidental conflict in the South China Sea.

Even so, the Gordian knot in the South China Sea cannot be cut bilaterally. We must find other mechanisms to help resolve the complex issues. Consequently, we are giving the various issues a good regional airing within the ASEAN Regional Forum. We have also brought them up during consultations with ASEAN and China. Indeed, the 1992 ASEAN Declaration on the South China Sea was a significant contribution toward their peaceful resolution.

We have also given full support to the regional “Track Two” system of unofficial discussions and cooperative activities, which brings together all the states with interests in that maritime area. We value in particular the workshop series on managing potential conflict in the South China Sea sponsored by Indonesia.

But “Track Two” is not enough. We cannot continue to treat these vital regional problems at arm's length. I feel the time has come for us to consider intensifying the official “Track One” talks alongside the “Track Two” activities.

### **A peaceable ‘nuclear club’**

In the Philippines as in all of East Asia, we eat rice cakes. Our indigenous rice cake—called *bibingka*—is cooked between two fires, one placed beneath the mixture and the other on top. Perhaps if we extended the *bibingka* treatment to the South China Sea problem, we will produce the right temperature to get the conciliation process moving.

A third priority for regional political cooperation is the non-proliferation of nuclear weapons and the peaceful use of nuclear energy in East Asia.



The International Atomic Energy Agency (IAEA) projects a basic shift in the global nuclear energy picture away from North America and Europe toward East Asia. Over the next 20 years, the share of nuclear power in total electrical power production is expected to decline in North America and Europe.

In contrast the share of nuclear energy in total power generation is projected to remain constant in Northeast Asia. This means that the use of nuclear energy will increase, because power demand will continue to rise with the region's dynamic growth, industrialization and urbanization.

Japan and the Republic of Korea have very ambitious expansion programs. China has begun large-scale production. North Korea is trying to build up its civilian capacity for nuclear power.

In Southeast Asia, Indonesia and Vietnam are said to be considering joining this peaceable 'nuclear club' themselves. Other developing countries may in fact be studying the option because—as the IAEA explains it—for decades to come, the only viable choice facing energy-starved developing nations is between fossil fuel and nuclear power.

This trend raises justifiable fears about the risk of nuclear weapons proliferation; the safety of using nuclear energy; and the storage, transport, treatment and disposal of nuclear waste and toxic substances.

Alongside these concerns, the region continues to watch what is happening on the Korean peninsula. Instability over there would have dire consequences for the rest of us.

For this reason, we should support the effort of the Korean Peninsula Energy Development Organization to help Pyongyang build a peaceful civilian nuclear power program—just as we support the efforts to bring the two Koreas together.

### **The Moscow nuclear summit**

What we must forestall is nuclear proliferation in East Asia—either clandestine or open weapons development programs or the unregulated handling of spent nuclear fuel, which could be diverted toward military purposes—or become a regional waste hazard.

We are encouraged by the results of last month's nuclear summit in Moscow. That summit reflected the serious commitment of the participants to cooperate in coming to grips with the issues. But Chernobyl is still very much alive in our memories.

Before too long, East Asia may have to convene its own regional nuclear conference—to establish the framework for management cooperation in this sensitive area.

Such a framework should be consistent with IAEA guidelines—and it should be open to practical participation by countries from outside the region who possess nuclear power. And it should also be an instrument for containing any form of nuclear proliferation in the region and as a supplement to ASEAN's Southeast Asian Nuclear Weapons-Free Zone Treaty.

That framework should be developed and guided by regionwide consultations. Nuclear safety is a transregional concern: it should not be left only to countries having nuclear power. We should also consider any special nuclear needs of the region's developing nations.

### **Agenda for political cooperation**

Just as worthy of study is the development of a possible "Asiatom" (cooperation among Asian countries for containing nuclear proliferation similar to Euratom), which involves mutual safeguards by member countries. This

scheme should involve essentially the two Koreas, China, Taiwan, Japan, the United States, Russia, Canada, Australia, New Zealand and the ASEAN states.

Consideration should be given to the possibility of international enrichment plants, reprocessing plants and international plutonium storage. This agenda for political cooperation—if tackled by our countries in a spirit of give and take—should yield a consensus that will foster peace and stability in Asia.

But even more than peace and stability, it will help spread the economic miracle to every part of the Asian continent—which is the goal we all want.

East Asia has done much better than other regions in alleviating poverty. Yet last year the Asian Development Bank reported that more than four-fifths of the population of its developing-country members live in countries where average annual incomes still fall below \$500.

Indeed, poverty remains a painful Asian reality. Even in the better-off developing countries—and in the Asian newly industrializing economies—bottlenecks in development have become so serious that a concerted regional effort is now necessary to overcome them.

These bottlenecks include the widening infrastructure gap. An Asian Development Bank seminar last month estimated that Asia will need \$6.9 trillion for spending on new infrastructure over the next quarter-century. Traditional modes of finance—whether national or multilateral—cannot meet this cost magnitude.

We need to mobilize more private investment for infrastructure development. And for this we must discuss ways of energizing regional financial and capital markets.

Indeed, sustainable development is a major area that calls for regional action. Massive urbanization and continued rural development are generating enormous social and environmental problems. In 1950 only two Asian cities had populations of four million or more. Today there are 20 Asian countries with more than four million people; and 11 with more than eight million.

### **The sharing and protection of human resources**

Bottlenecks also encompass regional imbalances in human resources. Rapid growth calls for higher skill levels—but our combined workforces of engineers, technicians and professionals fall still far short of minimum national and regional requirements.

Tight labor conditions in the region might be eased through regional cooperation to spread training resources throughout the region—and to facilitate the orderly transregional movement and hosting of workers.

As the Pacific Economic Cooperation Council secretariat has reported, more than two million people are working outside their home countries in the Asia-Pacific. A substantial number of these are exploited and abused undocumented migrants.

I cite these glaring facts to illustrate that our long-term cooperation agenda for the region cannot be limited to the liberalization of trade and investment. The sharing and protection of human resources and development cooperation must be clearly also at the core of our concerns. Our policies of economic openness and integration must lead to tangible improvements in the quality of life for our peoples.

I do not wish to be an alarmist—but we must heed the lessons from the many industrialized countries whose social contracts are fraying badly.

In fact, the pendulum of opinion that swung so far in the direction of the free market in the West during the '80s and the early '90s may now be swinging in the opposite direction. We must prepare ourselves for this—and for the possibility that some of us in Asia may be infected by a similar change of heart.

### **Three elements of regional progress**

This brings me to my final point—and it concerns the need for APEC, ASEAN and other regional bodies to defend the regional consensus that sustains Asia's growth in our time.

The idea that our countries have common regional and also common national interests has taken time to establish itself. But I believe it is growing in our midst. And we need to cultivate it if our Asian community is to deal with problems that lie beyond the competence of single nations.

In this spirit, my country's chairmanship of APEC this year focuses on three items of central importance to continued regional progress and stability.

*First* is the need to enhance regional economic and technical cooperation in a manner that combines the human, technical and financial resources of all players, developing and developed alike. Such cooperation in APEC should mobilize and provide key inputs in the development process.

This will help our developing nations to absorb the impact of their deepening integration into the global economy, and increase their contribution toward further global growth. It will enrich the developed economies' own cooperation experience beyond aid in the old North-South context.

*Second* is the need to ensure that agreements concluded under APEC are actually carried out—and that there should be no backsliding.

We must all play our full part in moving the APEC agenda forward. No advantage will be gained by favoring one part of the agenda over the others.

We need a balanced approach—one forward-looking enough to inspire continued momentum, and also stable enough to accommodate our different concerns.

This means an approach that attends to the varied interests of producers, consumers, workers, and owners of capital and ideas—and yet does not lose sight of the collective goal of our common APEC endeavor.

And *finally*, there is the need to foster a more organic link between the private sector and the APEC process. We are all agreed that if APEC is to be a real catalyst for growth and development, then it must not become just another talk-shop among presidents, prime ministers and cabinet ministers. This we can ensure if we commit the private sectors of our countries to our official objectives and the programs under the APEC umbrella.

### **Political cooperation lags behind economic interaction**

For this reason, the Philippines strongly encourages the APEC Business Advisory Council (ABAC) to interact with governments on the design and implementation of APEC projects and on the research and preparation of APEC studies. ABAC-Philippines has in fact offered to host the ABAC secretariat.

To highlight the role of the private sector, the Philippines has also proposed convening an APEC Business Forum—where top business leaders from the region can exchange views on the directions they would like the Asia-Pacific to take. The forum can be held in the Philippines to coincide with the APEC leaders' meeting at Subic in November 1996.

Let me now summarize and conclude.

All our countries, without exception, have a vital stake in advancing regional cooperation. But our political cooperation has fallen behind our economic interaction. We should therefore focus on closing this gap.

If our political cooperation does not move forward correspondingly, then inertia and inaction could work against us. And our political and security problems will stall our future growth. Despite East Asia's impressive economic performance, development cooperation also remains an urgent priority. If development is not kept at the center of our efforts, then disaffection could undermine the regional consensus.

### **The Asian way**

Our regional agenda is therefore a full one. And it will take all our political will and collective sense of purpose to carry it out.

But I believe we can be equal to the challenge because—as Asians—we realize the need for consensus, and we know the way to reach it. We will move at a speed comfortable to all. We will manage and advance through consultation and agreement. And even in settling the differences between us, we will preserve harmony. This is the Asian way.

*Source:* **Presidential Museum and Library**

Ramos, F. V. (1997). *Leadership for the 21st century : our labors today will shape our country's future*. [Manila] : Friends of Steady Eddie.

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**Address of President Ramos at the 98th Independence Day celebration**

**Address  
of  
His Excellency Fidel V. Ramos  
President of the Philippines  
At the 98th Independence Day celebration**

[Delivered at the Quirino Grandstand, June 12, 1996]

**Remembering  
lessons of history**

**the**

*MULI TAYONG nagtitipon dito, at gayundin sa daan-daan pang mga liwasan sa buong kapuluan, upang gunitain at ipagdiwang ang makasaysayang sandali ng ating kasarinlan siyamnapu't-walong taon na ang lumipas.*

*Napapanahon na din marahil upang tanungin ang ating mga sarili kung ano na ang ating naitulong para sa ating bayan—ang bayan na pinagbuwisan na dugo at buhay ng ating mga bayani magkaroon lamang ito ng magandang kinabukasan.*

We gather here today to commemorate the birth of our nation—and to renew our faith that only a free people can shape their destiny and their future.

**A nation created by our heroes**

Two historic events meet in this commemoration. We mark, first, the 98th year of the proclamation of Philippine Independence in Kawit, Cavite, by Emilio Aguinaldo. And we also mark this year the centennial of the Revolution of 1896 led by Andres Bonifacio that gave flesh to that proclamation.

In the joining of these events comes a stirring reminder that we are not a nation created by accident or as a gift from others. There is cause and effect in our becoming a free and democratic republic.

To arrive at that moment in Kawit 98 years ago, a long line of generations—from Lapu-lapu to Jose Rizal—gave freely of themselves on the altar of nationhood.

And every year since then, many more have offered life, fortune, and honor so that the nation might live.

*Ating tinatamasa ngayon ang kasarinlan at kalayaan na ipinaglaban ng ating mga bayani. Subalit magiging makahulugan lamang ang ating parangal sa kanilang kagitingan kung ipagpapatuloy natin ang kanilang simulain—ang simulaing magpapalubos ng ating kalayaan—ang pakikibaka sa kahirapan upang mai-angat ang antas ng buhay ng ating kapwa Pilipino.*

**A necessary ritual**

Some may say this yearly commemoration is no more than ritual. I say it is necessary for us to be here—and for others throughout this land to mark this day.

Because we are nothing if we do not remember how our republic was erected—stone by stone. And we will get nowhere if we do not learn the lessons of our history.

One lesson surely is that our republic did not rise from a policy of every man for himself or each region to its own pursuits.

It came to be from a union of aspiration and effort.

Some of us may envy others for the smaller historical price they have had to pay for their freedom. But as Pope John Paul II has said, who would want a nation that costs us nothing?

Our nationhood has cost us dearly—many painful struggles, many lives, many disappointments. Yet it is precisely the sum of all these that signifies how precious to us is the blessing of independence.

Now as we strive to raise our country to the center of progress, let us remember this undying message of national unity and what it can accomplish.

To study our history is also to know that each generation must take up the torch of freedom and strive to enrich the legacy. If nationhood was the prize we sought 98 years ago, today—with nationhood secure—the challenge for us is to use freedom and democracy to achieve our aspirations to modernization and progress.

In 1896 we were no more than an archipelago of six million. Today we are a nation of 69 million—close to two-fifths of whom are poor.

In 1896 the world was dominated by a few nations, with the greater part of humanity hostage to their interests. Today the world is a community of independent nations, and we live in a global economy where every country must compete if it is to survive and prosper.

We have made a good start in meeting these new challenges and in seizing the opportunities before us. We must therefore stay on course and not allow partisan passions to rule over national life today.

To indulge in the quarrels of politics now, just a year removed from the 1995 elections and still two years away from the next, is to risk losing our way to the future.

Of the two years that remain of my Presidency, I will strive to ensure that they become years of further growth and strengthening for our country—so that when the time comes to pass the torch to another leader, the ship of the republic will sail smoothly onward.

### **A ledger of national life**

In any case, indulging in these political games now is only diverting us from our urgent priorities as a nation. We are wasting precious time, energy, resources and good will that are better spent in meeting our economic and social goals. And there is much for all of us to do.

Some may question the priorities, goals and programs that define our national course today. It is their right to criticize—just as it is my duty as President to press on. But there is a ledger of national life that exists above partisan opinion. This tells us the true national condition—how the country is truly faring, how the economy is moving, how the fruits of progress are being shared, how our provinces and cities are responding to the challenge of change and development

Our people know the difference between reality and humbug. We are moving forward—not backward. There is new hope and confidence throughout the land. The world applauds what is happening here.

Only the strident politicking of the day is preventing us from moving faster still.

Let us tell everyone frankly, we still stand on difficult ground. The reform process is not yet complete. Vital measures wait on Congress to act. In the new global economy, there are no rewards for what you did in the past. There are only returns for those who relentlessly seize the opportunities of the times.

So commitment and resolve, not complacency and selfishness, must govern our directions and goals. And we must move forward—not retreat into the old ways.

### **The dead, the living and the unborn**

Finally, my countrymen and countrywomen, this day reminds us that this country belongs not only to the living; it belongs as well to those who are dead and those who are yet to be born.

Our heroic forebears who set us on the course to nationhood defined the borders of this nation and our identity as a people. In their time, they too had their quarrels and their weaknesses. But in the hour of challenge, when nationhood was on the line, they forged together the foundations of our nation.

This legacy places on us the responsibility to ensure that we too will hand as great a legacy to those who will follow us.

Today our challenges are of another kind. Our problems have become more complex—as we have grown in number and in circumstances. And our opportunities have enlarged, as mankind has grown in its capacity to build the future.

But if our tools are greater and better, the essential principles and guideposts are the same. Our task is still to secure a free, just and prosperous society—not for some, but for all.

Two years to our national centennial, we stand at a decisive moment—when we either win the future or lose it.

This I believe is the unchanging message of Independence Day—to leaders and citizens alike. If we live up to this responsibility, then we can say to our founding parents: we of this generation did our part—and to the coming generations: we give you a heritage to build on.

It is fitting that we speak these words today—because part of our story too is that we Filipinos frequently forget. We have occasionally forgotten the lessons of history and fallen into the pit of tyranny and stagnation. We have sometimes taken for granted what has been bequeathed us at great cost—and reaped a harvest of sorrows.

### **The promise of freedom**

This must not happen again—especially now when we stand so close to completing the full promise of freedom.

*Sa lugar na ito, nang nakaraang taon, aking sinindihan ang Sulo ng Kalayaan bilang isang simbulo ng ating masidhing paniniwala sa kakayahan ng ating mamayan—ang maging maunlad, matagumpay at handang makipagsukatan ng kakayahan sa buong mundo.*

*Sa ating pagdiriwang ng ika-siyamnapu't-walong taon ng ka-sarinlan ay ating sanang isabuhay ang mga aral na itinuro sa atin ng ating kasaysayan.*

*Ito ang ating maaaring ipagmalaki ngayon—sa Kawit, sa Malacanang, sa Rizal Park, sa buong bansa at buong daigdig: “Ikarangal mo Pilipino. . . magiting ang lahi mo”*

*Aking sinasabi sa inyong lahat—magsama-sama pa rin tayo—sapagkat higit pang magagandang pangyayari sa ating bansa ang darating!*

*Source:* **Presidential Museum and Library**

Ramos, F. V. (1997). *Leadership for the 21st century : our labors today will shape our country's future*. [Manila] : Friends of Steady Eddie.



**Address of President Ramos at the 50th anniversary of Filipino-American Friendship Day**  
**Address**  
**of**  
**His Excellency Fidel V. Ramos**  
**President of the Philippines**  
**At the 50th anniversary of Filipino-American Friendship Day**

[Delivered at the Quirino Grand Stand, Rizal Park, July 4, 1996]

**Fil-American  
in the new century**

**friendship**

WE HAVE gathered today to salute the unique and enduring friendship that has bound Filipinos and Americans for many decades.

Ours is a friendship built on values we hold in common. Values that uphold democracy, religious and press freedom, human rights and individual liberty.

We have through our national experiences come to the same conclusion that a free people, with free markets in a free country, can overcome any obstacle that stands in the way of human dignity and the fulfillment of the human right.

**Civic virtue builds countries**

We have on separate courses imbued our countrymen and countrywomen with an undying love of country, based on a deep attachment to the native soil and to indigenous institutions that protect our liberties and promote our aspirations. We have with our own homegrown culture formed a firm conviction that it is individual worth and civic responsibility, not naked political power or abusive economic force, that build communities as well as countries.

Although our countries met with a clash of arms at the turn of this century, we quickly recognized the essential truth that cooperation and not conflict would best serve our national interests.

Thus through the years of limited self-rule and of the Commonwealth, we Filipinos never lost, not for a single day, our dream of final independence. We worked willingly and wholeheartedly with the Americans, who came to our shores as conquerors but who left as friends. And we have shown that Filipinos and Americans, motivated by the same fierce love of freedom, can fight shoulder to shoulder in its defense. When the world was darkened by fascist occupation, our freedom fighters—Filipino and American alike—kept the promise of liberation burning and democracy alive.

**Fighting the good fight**

When the world we had restored to peace confronted new tyrannies, we filled the breach once more and, united with other nations, defended freedom on the battlefields of Korea.

We fought the good fight, yet again in the long struggle against communist aggression which threatened the integrity of nations large and small. And in our own time of trial in the Philippines when our people sought to restore democracy after years of dictatorship, we knew we had American friends behind us. Today we are joined in another mission. This time however we are not called to combat but to devote ourselves to the challenge of energizing and rebuilding a tired old world.

We have survived the Cold War. The nightmare of an imminent nuclear holocaust is behind us. Political democracy and the market economy have claimed great victories in many countries including our own. But these achievements,

profound though they may be, seem to have produced little lasting joy. Uncertainty abounds. Cynicism, confusion, chaos and even cataclysm reign in many places.

All nations of the world are in the grip of change: change woven by global markets that never sleep; by technologies that never tire; and by innovations that expand the range of human endeavor as never before. Everywhere there are fears. Fears over the loss of jobs, over the marginalization of the poor and the weak, over the weakening of traditions and over the viability of new peace formulas.

But it is precisely through change that we will redeem our world, as we have done time and again in the past. We cannot retreat from the world. Isolation is no longer a salvation.

Change will breathe new life into our societies. It will bring us what we need to build up markets, to liberate the productive energies of people, and to move them toward the sustainable development of nations.

In the Philippines we have embraced change. Change for the better, for national renewal and for our children's future. Change is the motive force that drives the political, economic and social reform policies of the Ramos Administration. It is what moves us to heighten our competitiveness, to open our markets at home and to access new markets abroad.

### **Where tomorrow lies**

We have emerged from the doldrums. We have regained confidence in ourselves and in our capability to seize tomorrow.

Where does this tomorrow lie?

For the Philippines and equally, in my view, for the United States, it must lie along the path of cooperation between ourselves and with others in the Asia-Pacific region. The logic of this basic tenet is inescapable. The Asia-Pacific Economic Cooperation member economies embrace the Philippines' largest markets, biggest foreign investors and major economic partners.

As for the United States, trade with APEC members has eclipsed its transatlantic trade. Moreover, the Asia-Pacific region contains the markets that will propel much of the world's projected growth.

We must therefore brave the challenges of building a new regional order, through the ASEAN Regional Forum for regional security, and through the APEC process for the regional economy.

We will build our future stability and security on further and more intense consultation and dialogue with countries of the region, in place of the confrontation and rivalry of the Cold War.

We will forge long-term Asia-Pacific progress and prosperity with closer economic integration and interdependence, instead of protectionism and discrimination.

### **A bulwark of regional security**

The Philippines is this year's chairman of APEC, and we intend to use this opportunity to promote freer regional trade and investment by expanding the business sector's role in engineering growth.

If we work together more intimately, and no doubt we will, then the APEC Leaders' Meeting in Subic will mark an important advance in spreading the benefits of economic growth, social development and technology exchange among peoples of the Asia-Pacific region. And this would be a just reward for the leadership and vision that have gone into moving APEC forward, starting with the first APEC leaders' meeting in Seattle, and followed through in Bogor and Osaka.

As we design a new regional order, we will be aided by the bilateral solidarity that Filipinos and Americans enjoy, and which is invaluable to the ties which have been forged between our two countries.

Our security relationship is anchored firmly on our Mutual Defense Treaty, which remains a bulwark safeguarding the peace and security of the whole Asia-Pacific region.

Our shared affinities in business, the professions, language, culture and the arts should make it easier for us to develop the vast economic potential of our bilateral partnership.

In this effort, our Filipino-American communities here in the Philippines and in the United States can reinforce our links and initiate modes of mutually beneficial cooperation.

Subic and Clark stand out as symbols of the future. Once sites of America's largest military bases in Asia, they are now on their way to becoming dynamic regional business hubs. And America is still in Subic, although it is Federal Express and not the United States Navy that now spans the region from the Philippines.

Before I end, let me take this opportunity to express my appreciation to President Bill Clinton, who has been my partner in moving Philippine-American relations onto a new track.

My visit to Washington in November 1993, and the visit of President Clinton to Manila in November the following year, were what began this process of transformation. Our progress was further consolidated when I visited the United States again last October. Our partnership has now gained greater momentum.

### **Building a better future**

As we look upon the promise of a new Asia-Pacific century, let us reaffirm the enduring nature of our friendship, which has served us so well through the years. Let us keep working together then, with the candor and respect that come not only with comradeship but also with the commitment and energy we expect of partners for mutual benefit.

We owe this not simply to the memory of past events or to ourselves. We also owe this to future generations of Filipinos and Americans, who should be able to enjoy a unique friendship in their day as we are doing in ours.

For if Filipinos and Americans can no longer be friends, then our region will be a sadder and perhaps more dangerous place to live in, as it will be deprived of the sanctuary that amity and common effort have provided both our peoples for a long time.

Let us now look forward—together—to a new century of friendship, of common achievement, guided by the love of freedom, our respect for the rights of our citizens, and our unshakable commitment to building a better future.

*Source:* **Presidential Museum and Library**

Ramos, F. V. (1997). *Leadership for the 21st century : our labors today will shape our country's future*. [Manila] : Friends of Steady Eddie.

## **Speech of President Ramos at the third anniversary celebration of the Bangko Sentral ng Pilipinas**

**Speech  
of  
His Excellency Fidel V. Ramos  
President of the Philippines  
At the third anniversary celebration of the Bangko Sentral ng Pilipinas**

[Delivered at the Bangko Sentral ng Pilipinas (BSP) Complex, Manila, July 5, 1996]

### **The and the nation's growth**

### **Bangko**

### **Sentral**

LOOKING BACK on the past three years, even die-hard critics of the Government will admit that the Bangko Sentral ng Pilipinas has made a great difference in the life of our country. In three years of operation, it has been the spearhead of reform in our financial system. It has proven its capability in monetary management, and it has helped strengthen the economy for global competition.

The improvement all around of the economy is the mirror of achievement for the BSP. Today, economic growth is accelerating, our reserves are at unprecedented levels. Inflation is declining, the exchange rate is stable. Investor confidence is high—and rising higher.

### **Boom-and-bust cycle is over**

In the vital task of putting in place structural reforms for steady growth, we have also shown that we can surmount age-old barriers. Together we have opened up and liberalized our economy in a way that starkly contrasts with policies of the previous 50 years.

By correcting costly distortions and subsidies, by dismantling monopolies and cartels, and by promoting efficiency through genuine competition, we can truly say today that the boom-and-bust cycle in the economy is over. Real development is now with us. We can compete with the world's best. *Kaya natin sila! Kaya ito ng Pinoy!*

It is significant that this celebration of the BSP's anniversary coincides with the national observance of Savings Consciousness Week. For this highlights an indispensable role of the BSP. Domestic savings mobilization—as we have often been told, but only half-heartedly followed in the past—is crucial to the quest for sustained growth, more employment and the reduction of poverty. Now at last, we are taking to heart the lessons that have worked for our vigorous neighbors.

We need to maximize both private and public savings to finance our own growth without depending overly on the savings of others. To promote private savings, the BSP's most important contribution is to guarantee a climate of price stability. This is the key to the preservation of the value of hard-earned financial savings. Inflation must be checked—for inflation is the acid that erodes public confidence and family incomes.

### **Antidote to the culture of influence peddling**

Financial stability is also the antidote to a culture of influence peddling and power brokering that discourages honest hard work and encourages graft, corruption and extravagance.

The Government, of course, must also do its share in generating domestic savings. In line with this, we are pushing the passage of a comprehensive tax reform package to sustain the healthy fiscal position of the National Government, which enables us to finance much-needed infrastructure upgrading to ensure economic growth, and to provide social services.

Together we should all be able to raise the domestic savings rate in our country from 21 percent of GNP in 1995 and move closer to the ASEAN average of savings performance of more than 33 percent of national income. Besides promoting price stability, the BSP can also significantly promote savings in its other role as regulator of the financial system. An efficient, effective, safe and credible financial system provides the essential avenue for savings.

I am therefore gratified by the BSP's initiatives to mold the financial system to world-class status. It has required the buildup of the local banks' capital base. It has upgraded its supervision capability, including the use of computer-based technology to more effectively and comprehensively monitor individual banks off-site.

The ultimate objective is to make the financial system more responsive to our rapidly growing demands for credit and capital. And the BSP must enhance its capability to participate fully and safely in global financial markets and avail itself of the unlimited opportunities for fast-tracking our growth.

### **Winning the fight against poverty**

At this juncture, let us deliberate and decide on how we can press on and gain more victories. I have said it before, and I say it again—GNP growth means little if it is not translated into real changes in the quality of life of the majority of our people, especially the poor.

Of course, high and sustained economic growth is an indispensable ingredient in the war against poverty. We need to enlarge the economic pie or "*bibingka*"—to produce a surplus—beyond that needed for normal consumption—for financing further development. But growth also must result in greater benefits for the people.

Economic growth must be accompanied by capability building and social reform. These will give our poor the skills and the assets to take part—to compete even—in the free market. Left to fend for themselves, there is no way they can survive the relentless force of the open market.

If we want our free-market economy to prosper in the long term, our economic managers and private business sector must be willing to place considerations of social reform ahead of purely economic objectives.

Instant prosperity may grow for a while—for a few. But eventually it will collapse under the weight of poverty. Long-term and even medium-term growth can only be achieved with the proper balance of the market economy and social equity. Only then can the poor become participants and beneficiaries—and not victims—of growth.

This is the obligation imposed on Government—to ensure coherence, convergence and consistency between economic and social policy. Its job is to equalize opportunities and capacities—to enable the poor to compete in the market. But to properly equip the poor, Government must deliver basic services to them—effectively.

We must invest in people if we are to achieve higher growth in productivity and incomes. We must put in place the mechanisms for raising levels of education, health, nutrition, housing, employment, welfare, community development and participation in decision-making.

### **Poverty has a human face**

Effective poverty alleviation requires all of us in Government and the affluent in society—in banking especially—to understand that poverty has a human face. That poverty is the human condition of specific sectors of our population; of farmers and landless rural workers; of fisherfolk; of our indigenous peoples; of workers, especially in the informal sector; of urban squatters and slum dwellers; and of members of various disadvantaged groups—among them women, children, the elderly and the victims of disasters—this you and I know.

Two-thirds of the Filipino poor live in our rural areas—the overwhelming majority of them engaged in agriculture.

Here the message for Government is clear. If it is to begin solving Philippine poverty, Government must focus on where poverty is most prevalent—in our countryside.

It is in this context that I ask all of you, the executives of Government, and you, the chairmen/CEOs in the private sector, to carry out a social reform agenda for your areas of influence and constituencies. Your plans should include identification of doable poverty-alleviating projects with a specific time frame for their completion. Toward the end of the process, all these activities should contribute to the substantial reduction of poverty in such areas and sectors. I have also challenged Local Government executives—governors and mayors—to work as advocates of the poor.

In my experience, a program becomes more realistic and responsive to the needs of the target beneficiaries if the latter are involved in their formulation. The national social reform agenda council will aid me in monitoring the accomplishments of our Local Government officials in their fight against poverty—which is the foremost concern of our Government and society itself.

### **Moving with the pace of change**

The pace of change—particularly technological innovation—has never been faster. The development of various electronic money alternatives such as credit cards and electronic checks, combined with expanding communications facilities, has forged linkages among institutions and generated a global marketplace for financial services.

It is therefore noteworthy that the BSP is now putting in place the BSP-Net, which will become our own national financial information highway. This will take us a quantum leap forward to full development.

We are fully committed to opening up the economy and being an active player in the new world financial order. This vital reform is moving on schedule, with foreign participants taking more active position with every passing day.

As we move to globalize the Philippine financial system and market, and as our financial institutions become more sophisticated, however, it is vital that the BSP remain vigilant in protecting the general public and in managing potential risks. The public trust is a priceless commodity that must be preserved at all costs.

To minimize exposure to risk on derivative products—which as we all know has produced some monumental bankruptcies—the BSP has responded with the issuance of guidelines which clearly define regulations on financial derivatives based on current best international practices.

### **A globally competitive financial system**

It is also timely that the BSP is spearheading the review of laws affecting the financial sector to make them more relevant to the new demands and practices.

We are all aware of the opportunities as well as the threats of the growing interdependence of world financial markets. And our response to increased cross-border banking and flows of securities or capital should be one of adjustment and of meeting changes with confidence. This includes developing a clearer understanding of these developments and how they impact on key financial and economic variables.

In the pursuit of a Philippine financial system that is globally competitive, the BSP must fully develop its ability to react and manage the inevitable shocks arising from liberalization and globalization of financial services but without stifling the forces of innovation and creativity in the producing sectors.

Of the many things that have been said about the role of a central bank, perhaps the one we must always remember is that it must serve as “the bedrock of a nation’s progress.”

As the economy churns with the creativity and dynamism of private enterprise, we must have this foundation to keep the economy from overheating, or inflation from eroding gains. In the final analysis, a central bank is the guarantor of financial stability for a nation.

We do well to remember this as we feel today the vital signs of a growing and expanding economy in our country. In three years the BSP has already accomplished much at the helm of our monetary and financial system. This is recognized by the business community as evidenced by its successive top marks in opinion surveys. This is also evident in the selection of Governor Singson by *Asiamoney* as the Central Bank Governor of the Year. All these speak of the new capabilities of the whole BSP organization.

But as you accept these well-deserved commendations, let me also remind you that the work goes on. The vigil never stops. The mission of the BSP remains one of the most crucial in the entire spectrum of Government administration. Put simply, it is the task of sustaining the noninflationary growth of the economy. And this you must continue to perform with the highest efficiency, creativity, enthusiasm and dedication.

*Source:* **Presidential Museum and Library**

Ramos, F. V. (1997). *Leadership for the 21st century : our labors today will shape our country's future*. [Manila] : Friends of Steady Eddie.

**Speech of President Ramos at the closing ceremony of the Asia Summit on Child Rights and the Media**  
**Speech**  
**of**  
**His Excellency Fidel V. Ramos**  
**President of the Philippines**  
**At the closing ceremony of the Asia Summit on Child Rights and the Media**

[Delivered at the Shangri-La Edsa Plaza Hotel, Mandaluyong City, July 5, 1996]

**Our  
to our children**

**commitment**

THE PHILIPPINE Government hosts this landmark, high-level regional meeting for one very important reason—to demonstrate our firm commitment not only to Filipino children but also to the children of our neighbors in the Asia-Pacific region. Our decision to support the Council for the Welfare of Children and the regional organizers—namely, the United Nations Children’s Fund, the Asia-Pacific Broadcasting Union, the Asian Mass Communication, Information and Research Center, and the Philippine Children’s Television Foundation—is proof of this.

As we of the Philippines prepare to host the next Asia-Pacific Economic Cooperation Summit in November, it is only fitting that we also demonstrate that we consider our children top priority in our moves toward human resources development, which is a precondition to sustained economic progress.

**The influence of the media on children**

Varied forms of the media—especially the broadcast media like television and radio—are truly influential forces in the lives of our children. The media both entertain and educate; but the media can also be misleading and corruptive. Thus, it is vital to our children’s development that the media environment that we create and provide for them is truly responsive to their needs, stimulating and at best enlightening. Let me highlight some specific issues that I am especially concerned about as the leader of my country, as the head of a family as father and a grandfather.

My first concern is about the prevalence of violence on television throughout the viewing hours of our children. Combined with sensationalized reporting in some publications that graphically present gory crimes on the front pages, these messages communicate to our children things that should concern us extremely. How can we help our children grow to be peace-loving individuals if we feed them a TV diet that glorifies the use of violent means to resolve problems?

**The limits of press freedom**

Filipinos value and uphold press freedom, and Government by policy has provided a completely free atmosphere for the media. But such a liberal atmosphere must surely have certain limits in relation to our responsibilities to our children.

Unwarranted sex and violence have no place on television during the times that we know our children are watching. Responsible news reporting, especially of the “hard issues,” will help our children understand their world in a way that does not confuse or overwhelm them.

I trust that you have discussed alternative approaches at length that will allow us in Government to work collaboratively with the private broadcasting and publishing sectors in making self-regulation work. We have to demonstrate not just a rhetorical commitment to our children but one that translates into the highest quality media programs and products for them.



Second, I would like to call on all media practitioners to consider the importance of broader and more equitable access in order to harness the tremendous potential of the mass media for enhancing the education of children as well as the welfare of their families.

This is media's most important role in capability building, community development and nation building. Yours is a public trust that must translate into a clear desire to serve the public, almost 50 percent of whom are children.

I urge you to balance commercial interests with public interests. Help us in providing information and quality local programming beyond the urban centers into the rural communities where the media can really be a partner in the cultural and social development and in the training of our people, especially our youth, toward a level of competitiveness.

Third, let us continue to address the importance of protecting Asian cultures in the midst of the global communications revolution.

We of the Asia-Pacific region are now witnessing rapid changes worldwide that affect our own societies. In fact we are participating actively in making those changes happen. It is necessary therefore that we anticipate the impact of the new communications technologies on our societies.

As the fastest-growing region today, let us insure that our gains will continue well into the 21st century—when the youth of today shall assume their responsibilities as the leaders and the workforce of our countries.

### **Growing up in a complex world**

We must remind ourselves that our children are growing up in a relatively more complex and challenging world. Our fast-changing lifestyles can sometimes challenge or threaten our deeply held and traditional values. Sometimes the moral and cultural fabric of our societies are put at great risk.

Families, schools and mass media have important responsibilities in bridging the gap between the old and the new. We must teach our children the best that our indigenous cultures and Asian values have to offer even as we open ourselves to the diversity and novelty of modernization.

As we take upon ourselves the challenge of instilling in our children a sense of pride in their national heritage and in their own history as a people, let us help them learn to be tolerant and respectful of cultural diversity within and beyond our borders.

We must instill in our children a deep respect for humanity and sense of compassion while also encouraging them to be risk-takers and explorers willing to take on the excitement of new frontiers for development. They can only do this if we leave them with a legacy through media programs and products that communicate the value of their own cultures while opening windows to the rest of the world.

### **Promoting the rights of our children**

Time and again, I have called upon the national and international media to be our partners in achieving our vision for "Philippines 2000." Once more, I call on you to work hand in hand with Government, non-Government organizations and families in fulfilling our obligations to protect and promote the rights of our children, as guaranteed in the United Nations Convention on the Rights of the Child—their rights to survival, to development, to special protection and to participation.

Media practitioners have a shared responsibility with us in government and with the community as a whole to raise national consciousness about the actual and potential value of our young people—so that we all can nurture them, care for them, teach them and put added value to them in their formative years.

I challenge each one of you today to be guided in your decision-making, policy-formulation, programming, production, marketing, communications, research and support services by one basic principle—to act in the best interests of all our children.

*Source:* **Presidential Museum and Library**

Ramos, F. V. (1997). *Leadership for the 21st century : our labors today will shape our country's future*. [Manila] : Friends of Steady Eddie.

**Address of President Ramos before the Kennedy School of Government, ARCO Forum of Public Affairs**

**Address  
of  
His Excellency Fidel V. Ramos  
President of the Philippines  
Before the Kennedy School of Government, ARCO Forum of Public Affairs**

[Delivered at Harvard, Boston, Massachusetts, October 20, 1995]

**Democracy  
economic progress**

**and**

IT IS AN HONOR to visit Harvard and to bask, however briefly, under its scholarly shade in this forum at the Kennedy School of Government.

Through its various colleges—and the Kennedy School especially—Harvard has cultivated an admirable relationship with countries and governments all over the world. It is not surprising that many who have passed its portals have occupied or occupy leading positions in the public and private sectors in many countries.

In this, the Philippines is no exception.

Today, there are some 400 Filipinos—holding key positions in business, academe and government—who have undergone some years of schooling in this University. This number, I am told, adds up to a lot of Harvard alumni for one country—especially for a developing country.

**Good news**

When told back in 1986 that there were seven Harvard alumni in President Corazon Aquino's Cabinet, then Harvard President Derek Bok is said to have quipped: "Are you telling me good news or bad news?"

It is for former President Aquino to answer this query. For my part, I can report to you this: I began office in 1992 with six Harvard alumni in my Cabinet, who are all here with me right now. In addition, there are some fifteen more of your alumni in senior sub-Cabinet positions.

If after three years, we have succeeded in putting the Philippines back on track toward growth and modernization, that is surely partly because of their contributions. So yes, having Harvard alumni in my Government is good news.

**Lessons from the Philippine experience**

The story of the current Philippine resurgence is perhaps more than of routine interest to students of government.

First, we began self-government in 1946 as America's supposed "showcase of democracy in Asia." Yet for the better part of the postwar era we have been—instead—an illustration of democracy's failure to win economic progress. Today, after a 14-year interval of authoritarian rule and many more years of difficult transition, we are once more a full-functioning democracy. And for a change we are making progress—politically and economically.

Second, in East Asia today, conventional wisdom holds that an authoritarian regime is the way to growth for developing countries—because it is best equipped to mobilize the resources and compel the social discipline that make rapid growth possible. The same East Asian wisdom suggests that democratic government, in contrast, hampers economic growth, primarily because it is prejudiced toward borrowing and consumption, and is too loose and unfocused.

Yet—significantly—it is through full and people-powered democratic government that the Philippines has made its economic turnaround and now is moving determinedly toward national modernization.

And third, we in the Philippines have attracted some attention because, in order to make this fresh start at modernization, we literally had to reinvent our very idea of our nationhood. We have turned on its head the ideology of narrow nationalism that had governed public policymaking in the past and led the Philippines to adopt such policies as economic protectionism, economic nationalism, distrust of foreign investments, legislated wages, public subsidies and price controls.

Today—with these mistaken policies behind us—we define our course toward the future in a more liberalized way, with linkages to the world economy and the international community as fundamental.

I will focus my remarks here today on what our experience in the Philippines has to say about the relation between democratic government and economic progress, and the opportunities and challenges that arise from our development course.

### **Choosing democracy**

It bears saying that we chose the path of democracy—not in conscious repudiation of the course that our economically successful neighbors had taken—but in recognition rather of who we are as a people.

In a way we Filipinos had no choice but to try and modernize along constitutional and democratic lines. History had shaped our political culture in a way that ensures authoritarianism would not work for us. Indeed, for 14 years—from 1972 to 1986—we tried to play the authoritarian card and dismally failed.

Those who wonder about this failed experience with authoritarianism might consider this explanation. Authoritarianism in East Asia was typically built on strong, efficient and relatively autonomous bureaucracies—coupled with weak political awareness on the part of citizens.

Our political tradition in the Philippines is exactly the opposite. From our colonial rulers, we inherited a weak civil service but strong political awareness—even among the poorest and most isolated Filipino communities.

It is easy to belittle our representative system, but ordinary Filipinos do put their faith in it. Except for the 14-year period of martial law, the peaceful transition from one presidential administration to another—which describes in one important way democratic government—was a regular happening in our country.

To find our way back into this tradition, we have had to fight for our democracy and then ensure the perpetuation of democratic rule. This requires rebuilding the institutions and strengthening the culture of democracy—representative and accountable government, majority rule with minority rights, and the rule of law.

The government of my predecessor, Corazon Aquino, carried out the initial task with courage and determination, presiding over the drafting and enactment of a new Constitution and beginning the process of returning government to the people at the local level by strengthening the province, the township and the village. The success of this work is evident in the succession: changes in the executive and legislative branches were accomplished through peaceful elections.

### **A functioning democracy**

Now, as we approach the tenth anniversary of our People Power Revolution of February 1986, the future of democratic rule in the Philippines is secure. Mutinous military officers have abandoned their rebellion and last October 13th entered into a general agreement for peace and development. The communist insurgency has collapsed. We are in the final stages of negotiating an honorable peace with Muslim separatists.

That is why I say the Philippines is a functioning democracy—not a country in transition, not a newly democratic country, but a country with sturdy and effective democratic institutions and a robust democratic culture that is shared by virtually all the Filipino people.

To embrace democracy in the way we did is also to accept a particular way of managing the economy in order to achieve development.

For us, it is an article of faith that we must develop by conciliation and consensus—not by command. Democratic process, we concede, could slow down economic growth. But it also ensures that the political institutions we build and the policies we pass are both strong and enduring.

I believe every country must develop according to—and from—its own peculiar conditions and circumstances. In the case of the Philippines, democracy is a given. It is the glue to our social cohesion, and our economic modernization must proceed from it.

### **Economic liberalization**

Although the Philippines led the world in the democratic revolution of the eighties, we have been latecomers to the economic revolution that began in East Asia in the fifties and sixties. What held the Philippines back was not a lack of natural endowment or human resources. It was government policy and government performance.

We started out in the sixties as the Asian country most likely to succeed—next only to Japan. In just a quarter of a century, by the end of the eighties, we had become a laggard in a continent of dragons.

How, we have often asked ourselves, why did we wind up in this situation when we Filipinos are supposed to be among the finest workers and managers in East Asia?

The simple answer is that we let politics—not markets—rule over our economy.

Mistaking shortsightedness and chauvinism for nationalism, we opted—beginning in the fifties and sixties—to reserve the economy for Filipinos.

We closed our economy—looking inward to our small home market, instead of outward to the large global market.

We set stiff restrictions on foreign investments, barring them from many industries.

We stifled competition and enterprise by allowing monopolies and cartels to dominate key sectors of the economy.

We made political connections—not competitiveness or talent or hard work—the determinants of economic success.

We followed the same wrong path that led many countries in Latin America, Eastern Europe and Africa to economic ruin—and achieved precisely the same results.

While our Asian neighbors toughened and developed their industries through global competition, we wound up with perpetually “infant industries.”

While our neighbors opened their doors to foreign investments—and thus to new technology—we closed ours to them.

### **Reengineering progress**

The way out of this hole has not been easy.

To begin with, we have lived through a painful period of stabilization—just to get the macroeconomy working right. And then we moved to make the market—and the private sector—our main weapons for reengineering progress.

In a package of reforms our country has not seen since the end of World War II, we have lowered trade barriers, dismantled monopolies, brought Government spending into line with Government revenues, invested in infrastructure, and opened our industries to competition and foreign investments.

Just as important, we have moved to stamp out corruption and graft in Government, and tax evasion in the boardrooms.

This shift to a market-based development strategy has been matched by our rejection of economic nationalism as traditionally defined, which was synonymous with protectionism and even isolationism. Today, we define nationalism in terms of our enhanced capacity as a nation—not as defeatism that we cannot compete with foreigners even in our own home market—but as self-confidence in facing up to world competition.

Today, this nationalism leads us to expand our foreign linkages—the better to have access to global information, capital, marketing channels, and inputs of the best quality and services at the lowest cost.

### **Building political capacity**

All these reforms, I am pleased to say, were made possible through the collaboration of the executive, the legislative and the judicial branches of government in the Philippines.

And they have paid off—even this early—in three years now of accelerating growth. We expect GNP to grow this year by 6 percent to 6.5 percent in real terms—more than double that of 1993.

Our exports are rising at an impressive rate of 30 percent this year.

And this year we expect a record inflow of foreign investments on top of the 330 percent increase in 1994.

The inflow of outside funds has in fact been so large that it threatens our efforts to stem inflation. But this is the kind of problem that we like to have for a change—instead of the problems of scarcity that we experienced in the past.

The turnaround we have had and continue to have should definitely belie the argument that democratic government is a luxury to be enjoyed only by the rich. Our experience is proving that democracy is perfectly compatible with economic progress, and social discipline is possible in a democratic setting.

Yet we would also be the last to say that our struggle for modernization is won. Or that the ways of our democracy have fully succeeded in building an enduring national consensus for development. We still have a long road to travel. There is still much work to do.

Our greatest challenge now is maintaining our development momentum, and for this, nothing is more important than the need to increase the political capacity of our Government—to continue the pace of reform, to check corruption and inefficiency in the public service, to institute new standards of performance and accountability in our bureaucracy, and to ensure the rule of law in our society.

Choosing between democracy and authoritarianism was for us always the easier part. Meeting the challenge of making democratic government effective in the process of development is the harder task.

This has to do with more than just elections or constitutionalism. This has to do with effective administration. This has to do with the role of the State in the development process within a democratic society.

## **Our work is far from over**

As things stand now, we have gone a long way toward taking Government off the back of business in lifting its traditional micromanagement of the economy. But in the more positive action of doing what Government must do—such as providing basic services, laying infrastructure, establishing accountability and efficiency in operations, and general problem-solving—our work is far from over.

Our bureaucracy remains in some ways a reproach to democratic effectiveness in the modernization process. We are now working to unleash its energies by introducing reform in organization, staffing, compensation, and all the other vital aspects of Government service.

The rule of law has always been upheld since our People Power Revolution of 1986. There is nevertheless a cause for worry in regard to law enforcement, which we are addressing through immediate and long-term reforms. It is noteworthy that both foreign investors and citizens cite judicial shortcomings as cause for concern.

And our democratic politics—in the legislature and the media—often merely exploits problems, instead of solving them. There is a constant rain of rhetoric on public issues, but many continue to forget that the whole point of debate is to arrive at a solution to issues or problems.

## **The role of the State**

Here we come face to face with a desideratum in democratic government—the political effectiveness of its national institutions, or, as the political scientist Robert Jackson has described it, the effective exercise of “power without force.”

This is a complex challenge for government in a developing country, because constitutional government essentially means limited government. In a developed country, this works easily enough, because the degree of public consensus is strong. In a developing country, we need all the government that we can muster to mobilize society for the tasks of development.

Here we touch upon the tensions and contradictions that some political scientists have noted between democracy and constitutionalism. State building is necessary to society, but it also represents a threat. Constitutionalism or rule of law is a design to curb State authority.

These tensions are acute in the Philippines, where historically the State has been weak—dominated by interest groups and prevented from acting for the common good.

Historically, the Philippine State has been weaker than the oligarchies that have preyed on it—oligarchies that have used their privileged access to the bureaucracy and to the levers of political power to accumulate great fortunes and entrench themselves more deeply in their position of dominance. Unless we can put an end to this political arbitrariness, we cannot fully organize the national economy and enter the mainstream of global commerce.

But all this only suggests that our long-term salvation lies in broadening our democracy—not in curbing it. We cannot progress much further by being a mere democracy of elites.

This is the basic reason why—in running for the presidency—I ran on a program of “People Empowerment.” This is why People Empowerment stands so high on the agenda of my Administration—as a way to mobilize the country democratically for modernization, as a way to devolve power from the center to the countryside—from the National Government to the Local Government units—as a way of giving ordinary people a stake and a role in winning the future.

## **Removing the mountain of regulations**

Our development path, in sum, has required a changed role for the public sector. It calls for a smaller State sector than its interventionist predecessor—in that we have removed the mountain of regulations and State enterprises that used to dot our national landscape.

But it also calls for a stronger and more efficient public sector in that it must effectively exercise authority, make decisions wisely, capably solve problems and resolve conflicts.

That we have not yet fully achieved this condition, we concede. The most that can be said is that we are moving steadily toward this ideal—step by step, reform by reform.

Let me now summarize and conclude.

In choosing to develop as a democracy, the Philippines has chosen a route that concededly is more complex than that followed by our vigorous Asian neighbors. We regard politics—the process of conciliating rival interests and differing opinions—not as an obstacle to governing but as the necessary precondition to concerted action on public issues.

At first glance, this may appear as a disadvantage to a developing country government, as compared to governance with little or no consultation in an authoritarian order. But, in fact, I am confident it will prove to be of lasting advantage.

### **Democracy and markets go together**

As we see more and more of the global economy, we find that democracy and markets really go together. As Harlan Cleveland has noted in *Birth of a New World*:

“Openness is a technological imperative in the global knowledge society . . . . The connection between market and democracy is basic. Market divides and distributes economic power as democracy does political power . . . . Part of the connection between democracy and market is that people governed by consent want to do business . . . across borders that are as open as possible. The other part is that a democracy’s economy . . . is necessarily and inevitably more open to the rest of the world, and the rest of the world will be more open to it.”

As a free and open society, the Philippines can take part more fully in the exchanges fostered by our global economy—because we fear neither the power of ideas nor the images of other cultures.

Day by day, our experience tells us that political democracy, social discipline and sustained development are not incompatible ideals.

Reform is difficult, but it is the only way to go.

We started late in adopting the reforms so necessary to unshackle the economy and to empower our people for development. Yet in just three years, already we are seeing that some transformation is taking place in the Philippines.

Authoritarianism is a receding ride in the world which we do not regret in passing up. Communism did not collapse in a vacuum. All over the world, authoritarian and statist systems are being dismantled by peoples who have awakened to their political entitlements.

As we look to the future then, we have the quiet confidence and optimism that we will succeed—because of the knowledge that people and markets govern our march to progress.

And that success I am certain is something which you, too, in this citadel of learning and freedom will cheer.



*Source:* **Presidential Museum and Library**

Ramos, F. V. (1996). *Our time has come : the goals we set ourselves to obtain for our people are now within our reach*. [Manila] : Friends of Steady Eddie.

## Speech of President Ramos at the Manila Overseas Press Club Night

Speech  
of  
**His Excellency Fidel V. Ramos**  
**President of the Philippines**  
**At the Manila Overseas Press Club Night**

[Delivered at the Manila Hotel, July 11, 1996]

**Seizing  
opportunity in Mindanao**

**the**

**historic**

I AM AWARE of the conventions of this forum—whose purposes are best served if we move quickly to the question-and-answer portion of the program. I will confine myself, therefore, to an opening statement on an issue that cuts deeply into the state of our national life today—the prospects and conditions for peace and development in the Southern Philippines.

As we meet tonight, many of our people are racked by anxieties and questions about what the recent arrangement for the establishment of a Southern Philippines Council for Peace and Development—concluded by Government and Moro National Liberation Front negotiators—portends: for Mindanao in particular and the nation as a whole.

### **Breaking the decades of conflict**

At one end, we hear encouraging support that the Agreement could finally break the decades of conflict that had taken thousands of lives, and open the way for the full and unimpeded development of that part of our country. At the other, we hear an outcry of fear and suspicion that the Government may have sold out the welfare of millions of our compatriots in the region; and that therefore the Agreement has ushered only the prospects of a new phase in the conflict.

No day passes in which the Council is not denounced or defended. No day passes in which we do not hear petitions to postpone the Agreement and replace it with another plan that would take another round—and years—of negotiations.

These varied voices reflect the centrality and complexity of the problem we face in Mindanao. I understand the depth of feeling of those who have expressed concern about the change dawning on the region.

But I also fervently believe we have now—with this Council—a historic opportunity to achieve *peace* in our southern regions, to mold lasting *unity* among our people and ensure our nation's sustainable development. For the first time in a generation, we have the chance to turn our collective talents and energies to the work of peace and sustained progress.

### **What the Agreement provides**

All of us should strive to seize this opportunity—to break the shackles of the past and create new hope for the future.

Much that is being said against the Agreement arises from misunderstanding or inadequate information of what it explicitly provides for and envisions. Part of this opposition is also being fed by preconceived biases or hidden fears owing to ethnic or religious differences.

The main remedy to the situation is accurate and timely information leading to better understanding of the issues. In this effort, I appeal to you, the leaders of the media, to lend your responsible hands.

Let me therefore begin by discussing here exactly what the Agreement explicitly states and provides for. As described in the document arising from the eighth meeting of representatives of our Government and representatives of the Moro National Liberation Front, the panels reached key “points of consensus” for a peaceful settlement of the conflict.

The Agreement in the eighth meeting calls for implementation in two phases. During Phase 1, the primary points of consensus are the following:

*First*, the Agreement calls for the establishment of the Council—a council that will principally promote, monitor and coordinate peace and development efforts in the South.

The Council will be composed of a chairman, a vice chairman, and three deputies representing the Muslims, the Christians and the *lumad*, or indigenous peoples—all of whom will be appointed by the President.

This Council is not a political governing authority; it has no police power or law-enforcement authority; it has no separate judicial personality; it is a transitory administrative entity under the control and supervision of the President of the Republic of the Philippines.

*Second*, the Agreement calls for the establishment of a consultative assembly, which shall serve as a forum for consultation on issues and the recommendation of policies and programs to the President of the Republic of the Philippines.

#### **Local governments will not be prejudiced**

The assembly will be made up of 81 members, composed of the Council chairman, the governor and the vice governor of the Autonomous Region in Muslim Mindanao (ARMM), the 14 governors and all the city mayors in the area, 44 members from the MNLF, and 10 members from various sectors recommended by non-Government organizations and people’s organizations. The tenure of the Council and the assembly is three years.

*Third*, the Local Government units in the area, including the ARMM, shall continue to exist and exercise their functions in accordance with existing laws. Thus, the functions, powers and responsibilities of Local Government units and their officials will not be prejudiced, and their local autonomy under the Local Government Code of 1991 will not be diminished.

*Fourth*, there shall be established a special zone of peace and development in Southern Philippines in the 14 provinces and all the cities therein covered by the Tripoli Agreement. Within the next three years, these areas shall be the focus of intensive peace and development efforts. Public and private investments shall be channeled to such areas to spur economic activities, enhance social equity and uplift the conditions of the people therein. It is to be noted here that no new area of autonomy is declared in the document. No new autonomous government is formed or established, but only a description of an area where peace and development efforts will be focused and given priority.

Phase 2 provides for the establishment of a new autonomous government.

*First*, through an act of Congress amending or repealing the ARMM Organic Act of 1989 (R. A. 6734), a new plan for regional autonomy will be submitted for approval by the people in the affected provinces and cities within two years from the establishment of the Council.

The area of autonomy shall then consist of the provinces and cities that *vote* to join the new autonomous region.

*Second*, a regional security force for the autonomous regional government will be established as provided by the amendatory law. This organization will be composed of the existing Philippine National Police units in the area of autonomy, qualified MNLF elements, and other residents in the area who may be recruited into the force.

## **The spirit of reconciliation**

These are the key provisions. The rest of the text concerns definitions of the powers of instrumentalities created, and details on the implementation of initiatives.

I would like to underline one more point that has often been forgotten in the rush of comment on the agreement:

*The powers and functions of the Council and the consultative assembly are explicitly defined as “derivative and extensions of the powers of the President.”*

This means that the powers or functions to be exercised by the Council and the assembly are only those that could be within the authority of the President to give. Otherwise stated, these bodies cannot possess a power or function that is beyond the authority of the President to delegate, or which only Congress by law can grant to an agency.

Necessarily, to reach this accord, both sides had to accept the spirit of reconciliation and of give-and-take. Without such accommodation—as we know well from all negotiations, here at home and around the world, to end protracted conflict—no end to strife is possible.

## **Democratic consultation**

On the part of Government, we recognized the necessity of accepting some of the provisions of the Tripoli Agreement and subsequent understandings made—which the MNLF viewed as basic to a settlement. This means, fundamentally, acceptance of the idea of an autonomous government in the South, covering 14 provinces and all cities therein—if they vote for inclusion in the area of autonomy.

On the part of the MNLF, it recognized the necessity of *democratic consultation* within the affected communities as the formula for determining which provinces and cities will finally constitute the autonomous region.

The idea of autonomy for certain parts of the country has for some time now been recognized by our people. It is embodied in the Constitution. And it has been tested, on one hand, in the creation of the Autonomous Region in Muslim Mindanao and, on the other hand, in the failure of the one in the Cordilleras in Northern Luzon.

What is specifically new in the Agreement is, first, the platform for democratic pluralism under which citizens in the affected areas will choose or not choose to be part of a future autonomous region.

The other new element is the *transition phase* of three years, which calls for the establishment of the Council before the holding of a plebiscite on inclusion in or exclusion from the proposed the autonomous region and the creation of an autonomous government. This transition period is also a confidence-building measure for the MNLF, for Muslims and for Christians and for the indigenous people within our democratic system.

The Council and this transition period are what many find objectionable and disturbing. Many reckless things have been said—such as that the Government has installed Mr. Nur Misuari and the MNLF as virtual overlords of the provinces and cities covered by the Agreement; that the Council is a provisional government; that existing local governments will henceforth be under its control. Yet none of these things are true. They exist *neither* in the letter *nor* in the spirit of the transitory accord.

To repeat, the Council will serve as a coordinating arm for peace and development efforts in the affected areas. Its powers and functions derive from—and are extensions of—the powers of the President.

## **A forum for discussing problems**

As for the consultative assembly, which the accord also envisions, it will be a forum for the discussion of issues affecting the region. It will have no power to legislate or to make laws that local governments must follow.

Some would prefer, of course, that no Council, no consultative assembly, no transition period for autonomous government are established at all. *But* this is the prescription for inaction. It would prefer the certainties of conflict now—to the possibilities of peace and development in the not-too-distant future.

Let us give peace a chance to do its work in the Southern Philippines. For only peace can become the stoutest shelter of democratic development. Let us be worthy of our freedom—by assuming the burdens of peace as gallantly as we have taken up the burdens of war and bloody conflict.

I realize it is natural for people to be anxious and apprehensive when they are trying something new. But, in the spirit of unity and reconciliation, let us cast aside our fears and our small hurts. Together, let us look toward the vision of lasting peace and development for all the peoples of the Philippine South.

We live in rapidly changing times; and changing times call for innovative ways of dealing with conflicts and problems.

### **Enlarging the field of consultation**

Let me reiterate here that I welcome the suggestion of the Catholic Bishops Conference of the Philippines (CBCP) that we enlarge the field of consultation on the proposed Council. Although we are accused of *not* consulting with our Mindanao constituencies, we have in fact held four peace summits in four key cities there between May and November last year. We have also held four follow-up consultations with Mindanao leaders between April and May this year in Mindanao and in Manila. I attended all these summits and consultations—except for one preparatory meeting on April 22, 1996.

These earlier consultations notwithstanding, I have invited the Catholic bishops to a dialogue within the next few days. And we shall be holding more consultations at various levels, with various sectors intensively and regularly—until the signing of a final agreement with the MNLF and beyond.

Meanwhile, I have thanked the CBCP as I thank the Manila Overseas Press Club once more for providing opportunities for democratic consultation. I do not think any of us wish our peace process in the South to be set back by emotionalism, preconceptions and misconceptions that may be based on religious and ethnic differences.

I was not elected President to do nothing about this conflict in the South that has already cost us so much—so much in lives, time, good will, resources and opportunities that otherwise could have been harnessed for the tasks of development.

My responsibility—and the responsibility of all who had led or who shall lead this nation—is to create conditions under which our people can work in peace, for the lasting progress of the country. I see the accord being negotiated as a road map to the future—a peaceful path away from the strife and division that have gripped a major component of our republic for decades.

None of us can, of course, predict with certainty the precise results of the changes envisioned by the Agreement still to be finalized. From where we now stand, we can only see part of the path ahead; and, therefore, we hope fervently for the blessings that autonomy, peace and development could bring to Mindanao.

### **We can stop the killing**

Yet there are some things we can be certain of. If we—Muslims, Christians and indigenous people alike—bring to the consultations and to the negotiations the spirit of reconciliation and accommodation, the killing will stop. And that is and has always been our first objective.

If we bring to the people the spirit of sharing, giving, integrating and uniting, we will not only rebuild the ruins—we will create a new structure of progress. For Mindanao is truly our land of promise—rich in natural and human resources.

Already we see today a bountiful future stirring in parts of the island that have not been devastated by the conflict—the Cagayan-Iligan Corridor, the Davao growth center, and the South Cotabato-Sultan Kudarat-Sarangani-General Santos area.

Finally, if we bring to the forefront the spirit of brotherhood and solidarity, we shall finally become one truly cohesive national society, enriched by the contributions of all the regions, cultures and traditions of our country.

This is the way to the future, and I believe this is what most of our people want—not tomorrow, but today. This is what our Muslim brothers and sisters want, who all these years have felt left out of the mainstream of national life and progress.

This is what our Christian majority want, who seek to do right by all the minority groups in our society. This is what those who have had to bear the burdens of bloody confrontation and violence throughout this 25-year conflict in the South—soldiers, policemen and innocent civilians—want.

And this is what our leaders—in all the sectors of society—should aspire to, because it is only through peace and only in peace that we can develop and enjoy the full potential of our beloved Philippines.

### **The lessons of conflict**

Our experience of separatist conflict, here and around the world, should have taught us by now many painful lessons—lessons we wish we might have avoided or learned at less cost.

It should teach us that the grievance of one group eventually becomes the deprivation of all.

It should teach us that armed conflict within our society is infinitely more wounding than conflict with another country—because we suffer from our own hands.

Above all, it should teach us that we cannot develop in separation from or in isolation of some of our parts—but only as one country and one people together.

It is time we make these lessons impact on our present and future actions in—and for—Mindanao. No other course is more just and more democratic. No other course is more liberating of the energies and prospects of our people and our country, especially in Mindanao.

*Source:* **Presidential Museum and Library**

Ramos, F. V. (1997). *Leadership for the 21st century : our labors today will shape our country's future*. [Manila] : Friends of Steady Eddie.

**Speech of President Ramos at the “Galing Pook” awarding ceremonies Speech  
of  
His Excellency Fidel V. Ramos  
President of the Philippines  
At the “Galing Pook” awarding ceremonies sponsored by the Asian Institute of Management in cooperation  
with the Local Government Academy (LGU-DILG), the Ford Foundation, the Canada Fund and the Asia  
Foundation**

[Delivered in Malacañang, Manila, July 17, 1996]

**Rewarding  
in local governance**

**excellence**

SINCE ITS INCEPTION in 1993, the “*Galing Pook*” program has evolved into a coveted and prestigious award for excellence in local governance. It has challenged each Local Government unit (LGU) to initiate programs that improve the quality of life of its constituents.

This year, we are gathered once more to pay tribute to the paragons of performance and resourcefulness at the local level. I am of course referring to the winners of the *Galing Pook* program. Now on its third year, it singles out programs and projects of LGUs that demonstrate creative use of the powers devolved to them through the Local Government Code of 1991.

**Five Ds of the Administration**

The 40 winners over the past two years have received national and international recognition for their effectiveness and resourcefulness. Some of you may recall that during the 1995 *Galing Pook* awards, I defined the five Ds of the Ramos Administration to lift our people and the nation to a higher quality of life as follows—deregulation, decentralization, devolution, democratization and development.

Today may be an appropriate occasion to take stock of where we are now concerning these five Ds, just as another set of outstanding LGU programs are accorded the distinction of being among the best in local administration. Their achievements convey the essence of the Local Government Code, which is genuine local autonomy.

Local autonomy is working in the Philippines. I have seen how our efforts at the grassroots to bring Government closer to the people has resulted in faster countrywide development. Also our five Ds have provided an increasingly favorable profile of the Philippines in the international community. One of the key attractions drawing investors to the Philippines is our empowered local communities.

**Breaking the shackles of the past**

I have seen how the outlook of many of our Local Government units has widened beyond parochial and narrow concerns. Some of them have set their sights in finding a niche in the international market, strongly supporting one of the key pillars of “Philippines 2000” which calls for people’s economic and social empowerment and our competitiveness in the international arena.

This is what the peace process in the southern Philippines is all about. To empower ordinary Filipinos—not just Christians, not just Muslims, not just indigenous people, but especially the poor, regardless of religion, ethnic origin, political affiliation and ideology. The varied opinions on this strategic program for peace to ensure a brighter future reflect the centrality and complexity of the problem we face in Mindanao. Indeed, I appreciate the depth of feeling of those who have expressed concern about the change dawning on our southern regions.

But I also fervently believe we have now a historic opportunity to achieve peace in our southern regions, to mold lasting unity among our people, and to ensure our nation's sustainable development. For the first time in four hundred years, we have the chance to turn our collective talents and energies to the work of peace and sustained progress.

All of us should strive to seize this opportunity—to break the shackles of the past and create new hope for the future.

Much that is being said against the agreement (the so-called Davao points of consensus) arises from misunderstanding or inadequate information of what it explicitly provides for and envisions. Part of this opposition is also being fed by preconceived biases or hidden fears owing to ethnic or religious differences.

The main remedy to the situation is accurate and timely information leading to better understanding of the issues.

Let me therefore briefly bring to your attention exactly what the agreement states and provides for.

As described in the document arising from the eighth meeting of representatives of our Government and representatives of the Moro National Liberation Front at Davao City on June 21-23, 1996, the panels reached key “points of consensus” for a peaceful settlement of the conflict. The agreement in the eighth meeting calls for implementation in two phases. During Phase 1, the primary points of consensus are the following:

#### **What the agreement provides**

First, the agreement calls for the establishment of a Southern Philippines Council for Peace and Development—a council that will principally promote, monitor and coordinate peace and development efforts in the South.

The Council will be composed of a chairman, a vice chairman, and three deputies representing the Muslims, the Christians and the *lumad*, or indigenous peoples—all of whom will be appointed by the President. This Council is not a political governing authority; it has no police power or law-enforcement authority; it has no separate juridical personality; it is a transitory administrative entity under the control and supervision of the President of the Republic of the Philippines.

Second, the agreement calls for the establishment of a consultative assembly—a forum for consultation on issues and the recommendation of policies and programs to the President. The assembly is not a lawmaking body.

The assembly will be made up of 81 members, composed of the Council chairman, the governor and the vice governor of the Autonomous Region in Muslim Mindanao (ARMM), the 14 governors and all the city mayors in the area, 44 members from the MNLF, and 10 members from various sectors recommended by non-Government organizations and people's organizations. The tenure of the Council and the assembly is three years.

Third, the Local Government units in the area, including the ARMM, shall continue to exist and exercise their functions in accordance with existing laws. Thus, the functions, powers and responsibilities of Local Government units and their officials will not be prejudiced, and their local autonomy under the Local Government Code of 1991 will not be diminished.

#### **A zone of peace and development**

Fourth, there shall be established a special zone of peace and development in southern Philippines in the 14 provinces and all the cities therein covered by the Tripoli Agreement. Within the next three years, these areas shall be the focus of intensive peace and development efforts. Public and private investments shall be channeled to such areas to spur economic activities, enhance social equity and uplift the conditions of the people therein. It is to be noted here that no new area of autonomy is declared in the document. No new autonomous government is formed or established, but only a description of an area where peace and development efforts will be focused and given priority.



Phase 2 provides for the establishment of a new autonomous government:

First, through an act of Congress amending or repealing the ARMM Organic Act of 1989 (R. A. 6734), a new plan for regional autonomy will be submitted for approval by the people in the affected provinces and cities within two years from the establishment of the Council. The area of autonomy shall then consist of the provinces and cities that vote to join the new autonomous region.

Second, a regional security force for the autonomous regional government will be established as provided by the amendatory law. This organization will be composed of the existing Philippine National Police units in the area of autonomy, qualified MNLF elements, and other residents in the area who may be recruited into the force.

### **A rush of comment**

These are the key provisions. The rest of the text concerns definitions of the powers of instrumentalities created, and details on the implementation of initiatives.

I would like to underline one more point that has often been forgotten in the rush of comment on the agreement. The powers and functions of the Council and the consultative assembly are explicitly defined as “derivative and extensions of the powers of the President”

This means that the powers or functions to be exercised by the Council and the assembly are only those that could be within the authority of the President to give. Otherwise stated, these bodies cannot possess a power or function that is beyond the authority of the President to delegate, or which only Congress by law can grant to an agency.

Necessarily, to reach this accord, both sides had to accept the spirit of reconciliation and of give-and-take. Without such accommodation—as we know well from all negotiations to end protracted conflict, here at home and around the world, no end to strife is possible.

The idea of autonomy for certain parts of our country has for some time now been recognized by our people. It is embodied in the Constitution. And it has been tested, on one hand, in the creation of the Autonomous Region in Muslim Mindanao and on the other hand in the rejection of the proposed autonomy of the Cordilleras in Northern Luzon.

What is specifically new in this agreement is, first, the platform for democratic pluralism under which citizens in the affected areas will choose or not choose to be part of a future autonomous region.

### **A confidence-building period**

The second new element is the transition phase of three years, which calls for the establishment of the Council before the holding of a plebiscite on inclusion in or exclusion from the proposed autonomous region and the creation of a new ARMM. This transition phase is essentially a confidence-building period for the MNLF, for Muslims, for Christians and for *lumad* in consonance with our democratic system.

The Council and this transition period are what some find objectionable and disturbing. Many reckless things have been said—such as that the Government has installed Mr. Nur Misuari and the MNLF as virtual overlords of the provinces and cities covered by the agreement; that the Council is a provisional government; that existing Local Governments will henceforth be under its control.

None of these things are true. They exist neither in the letter nor in the spirit of the transitory accord. To repeat, the Council will serve as a coordinating arm for peace and development efforts in the affected areas. Its powers and functions derive from—and are extensions of—the powers of the President.

As for the consultative assembly, which the accord also envisions, it will be a forum for the discussion of issues affecting the region. It will have no power to legislate or to make laws that Local Governments must follow.

Some would prefer, of course, that no Council, no consultative assembly, no transition period for autonomous government are established at all. But this is the prescription of the status quo and therefore of inaction and continued tension and poverty. The preachers of the status quo would prefer the certainties of conflict now—to the possibilities of peace and development in the not-too-distant future.

I increasingly note Local Governments beginning to compete among themselves, striving to become more entrepreneurial, entering into partnerships with the private sector through build-operate-transfer arrangements, and even floating bonds to improve their capacities to deliver basic services to the people.

This proves that they are now developing a new ethos, a new face—Local Governments that are more responsive and proactive, and certainly innovative. These are some of the qualities that distinguish the *Galing Pook* winners whom we honor today.

### **A new ethos for Local Governments**

The sustained implementation of the Local Government Code of 1991 depends on the consistent efforts of Local Government units—the executives, legislators and their staff—to build their capabilities and strengthen their institutions.

*Galing Pook* gives impetus to the empowerment of Local Government units. It opens to them avenues of improving and introducing programs within the framework of the Local Government Code. Winners of the *Galing Pook* program are exemplars of effective local government. They demonstrate to the nation the best practices being done at the local level. Let us look at these programs:

– *Sustainable Food Security in the province of Davao del Norte, headed by Gov. Prospero Amatong.* This program provides food and education on the techniques of increasing crop productivity. The program equips farmers with the skills to manage their businesses, trains them in new technologies, gives them access to equipment and facilities for the processing and storage of crops. It has improved irrigation, flood control, reforestation and watershed development, road and drainage systems construction and pest management.

– *Municipal Infirmary and Health Assistance Program of San Miguel Bohol, led by Mayor Segundino Hencianos.* San Miguel's infirmary has a 10-bed capacity and is equipped with modern hospital facilities and a laboratory. It serves an average of 100 patients from the town each month. Moreover, the municipality provides financial assistance to residents with impaired health.

– *Oplan Linis of Puerto Princesa City, initiated by Mayor Edward Hagedorn.* This program has earned for the city the distinction of being the cleanest and greenest in the country for the past two consecutive years. Oplan Linis has enhanced Puerto Princesa City's attraction to visitors and tourists.

– *Agora Mobile Street School for Street Children, Mayor Pablo Magtajas of Cagayan de Oro City.* This initiative has reduced the number of street children in the city. Children who used to wander the streets in search of income have been able to rise above poverty through education.

– *Lote Para sa Mahirap, Mayor Rogelio Debulgado of San Carlos City.* This unusual housing program aims to provide squatter residents of San Carlos City with affordable lots that have access to basic utilities. The lots can be acquired on five-year installment.

– *Eco-Walk of Baguio City, Mayor Mauricio Domogan.* This innovative learning program, originally designed for children, has also attracted the participation of adults. It is a cost-efficient program that promotes value formation

directed at arresting environmental decay. It takes advantage of local culture—*muyong*— to further its objectives, and promotes volunteerism. It also encourages genuine partnership between the Government and the private sector.

– *Marine Conservation of San Salvador Island, Mayor Jesus Edora of Masinloc, Zambales.* The town of Masinloc has carried out an effective marine resource management plan on San Salvador Island by developing institutional capabilities and encouraging community development. It initiated an erosion-control project that was replicated in neighboring fishing communities.

– *Naga City Computerization Program, promulgated by Mayor Jesse Robredo.* This capability-building program answers the need for streamlined operations within the city government, a dependable database that fosters more effective decision-making and a more responsive and competitive city administration.

– *Alay Paglingap, Gov. Roberto Pagdanganan of the province of Bulacan.* This is an effort to upgrade and promote public service and community cooperation through *bayanihan*. It focuses on providing solutions to problems in health and nutrition, population and institution building.

– *Santa Maria Ecological Waste Management of Santa Maria, Bulacan, initiated by Mayor Renila Nicolas.* This program features a unified effort among the sectors of the town aimed at ensuring a safer and cleaner environment at reasonable cost. The program focuses on the reduction, recovery and proper disposal of waste. The town set up a self-sustaining waste processing and recycling plant which processes waste to produce fertilizer. The program promotes agricultural productivity, soil conditioning and organic farming in the town.

### **Raising the quality of life**

These programs respond to the basic thrust of the Social Reform Agenda, which is to empower the basic sectors. In all instances, leadership, cooperation, empowerment and determination are the essential elements needed to raise the people's quality of life.

I commend *Galing Pook* for paying tribute to outstanding programs of the Local Government units and consider it a worthy endeavor that must be continued. I am therefore proud to announce that the Office of the President supports the establishment of a *Galing Pook* Foundation and will contribute generously to the endowment fund to sustain the momentum of the program.

I commend the organizers of the *Galing Pook* awards program—the Local Government Academy of the Department of the Interior and Local Government, which drew up the Integrated Capability Building Program (ICBP) for Local Government units. You will recall that I issued Proclamation 284 in 1994 adopting the ICBP. The *Galing Pook* awards program has now become a key feature of the ICBP.

I also thank the Asian Institute of Management for doing such a professional job in managing the selection process. I have been briefed about the tremendous amount of work that goes behind the rigorous selection process. The Institute deserves our appreciation for lending its professionalism and prestige to the program.

### **On our way to a better Philippines**

The national selection committee and the screeners who work as volunteers should also be commended for an excellent job and the long hours they have devoted to the selection process. In particular, I commend former Congressman and also peace process adviser Ka Oca Santos, who himself visited many of the *Galing Pook* entries to validate and see for himself the local innovations. I am happy that the father of the Local Government Code of 1991, former Senator Aquilino Pimentel, remains a key figure in the national search for excellence among LGUs. Let us also not forget to acknowledge the support of our international partners such as the Ford Foundation, the Canada Fund and the Asia Foundation.

Finally, I thank all our Local Governments, and you, the winners, whom we honor today for fulfilling your role—that of proving, through our five Ds of decentralization: deregulation, decentralization, devolution, democratization and development, that we are well on our way to a better Philippines!

*Source:* **Presidential Museum and Library**

Ramos, F. V. (1997). *Leadership for the 21st century : our labors today will shape our country's future*. [Manila] : Friends of Steady Eddie.

**Speech of President Ramos at the veterans' assembly organized by the Veterans Federation of the Philippines**

**Speech  
of  
His Excellency Fidel V. Ramos  
President of the Philippines  
At the veterans' assembly organized by the Veterans Federation of the Philippines**

[Delivered at the Folk Arts Theater, CCP Complex, Roxas Boulevard, Manila, July 19, 1996]

**Veterans  
and development**

**for**

**peace**

WE VETERANS gather in this way because of our shared experience in the many battlefields of human conflict. We may be separated in terms of age and many of us may have fought in different wars—but in knowing history when it is written in blood, we are comrades all. And we share what others can only imagine.

It confers great meaning on this annual veterans' assembly to see encouraging progress on many fronts. There is progress in the affairs of the nation, as we see the economy turn around and move toward real growth and development.

**Progress in the quest for peace**

There is progress in the quest for peace in our country, as we have witnessed in recent weeks in the form of a substantial breakthrough in the negotiations for enduring peace and sustainable development in Mindanao.

And there is progress in our labors to improve the lot of our veterans. We have monitored news that the U.S. Congress is moving closer to the passage of a resolution that will finally recognize the services of Filipino World War II veterans.

Let me focus on the last point for a moment because I know how important this is to the sense of justice and self-esteem not just of our World War II veterans but of all members of the Veterans' Federation of the Philippines.

More than half a century has passed since the end of the Second World War when thousands of Filipino soldiers saw action and when many lost their lives for the cause of freedom.

Yet for some reason which most Filipinos cannot understand, the United States of America—whose flag flew over our country and who brought us into the war—has not given due recognition to the sacrifices of Filipino World War II veterans.

**Bullets ask no questions**

Representative Bob Filner, a consistent and stouthearted advocate and champion of justice for Filipino veterans, has spoken recently for them before the U.S. Congress: "It is truly hard to believe that Filipino World War II veterans have been kept waiting for over 50 years for the recognition they deserve. Many have already died, and in 16 years, there will no longer be any of these veterans alive.

"The bullets in World War II did not ask if their target was an American or Filipino soldier. Both Filipino soldiers and soldiers from the United States mainland fought side by side against a common enemy. We must act now to redress the wrongs these Filipino veterans have suffered."

The concurrent resolution of the U.S. Congress, which Brigadier General Tagumpay Nañadiego (ret.), our veterans' man in Washington, D.C., says may be passed soon, is one important step in the process of redress.

Even more important is the passage of the proposed Filipino Veterans' Equity Act, which will give our veterans the full benefits they deserve. Difficulty still attends the passage of this bill—not for want of support of veterans' groups in the U.S. but because of the climate of budget cutting that pervades the U.S. legislature.

In short, there is still some work to do. What I can assure you is that my Administration will not rest until this injustice is fully corrected. And we will consider all measures and venues to ensure the redemption of this debt to our veterans.

We must never surrender this campaign for U.S. recognition because in our country we look upon our veterans not as relics of bygone wars. We regard them as active partners in the quest for a better future for our people and our country.

Veterans are not citizens who are merely pensioned off and paraded around during commemorations, anniversaries and other red-letter days. Many of us continue to play an active role in our community and national affairs—lending wisdom, experience, courage and caring in building peace and progress.

You will recall that through Executive Order 201 series of 1994, I created an Advisory Council on Veterans' Affairs under the cochairmanship of the Undersecretary of National Defense for Veterans and Reserve Affairs and the president of the Veterans' Federation of the Philippines to expedite the formulation and execution of programs and projects for veterans' welfare.

### **Expanding aid to veterans**

Many veterans' agencies have prospered dramatically during the past few years. I have been advised that the Philippine Veterans Bank has attained tremendous growth and now ranks 53 among the 1,000 biggest taxpayers to the Government.

The Board of Trustees of the Veterans of World War II has been contributing to the rehabilitation of the Veterans Memorial Medical Center and has been supporting the activities of the veterans' foundation.

It has also been reported to me that the Philippine Veterans' Investment Development Corporation (PHIVIDEC), through its participation in the AFP Simba Armored Car Project, has started to gain ground.

The PHIVIDEC Industrial Authority in Northern Mindanao has continued to make progress.

The Filipino War Veterans' Foundation, which I was honored to organize and which now has the First Lady as fund campaign chairman, is now financially capable and has expanded assistance to needy veterans in cooperation usually with the Veterans Memorial Medical Center. Most of the assistance rendered by these agencies to veterans is in the area of hospitalization and medical care.

### **Maximizing benefit payments**

On matters that are on direct impact to veterans, you are aware that about three weeks ago, on the recommendation of the Secretary of National Defense, I ordered that pension be paid to you at the full rate of P2,000 a month effective July 1, 1996.

I have been informed that your checks for this month which were readied as early as the middle of June still bear the previous amount of P1,750. I assure you the differential of P250 will follow in a separate check.

I have constituted a committee, headed by the Secretary of Finance—whose name is also de Ocampo—to find ways and means to pay the differentials which have been accumulating since 1994 and to formulate a system that will ensure that your benefits are paid regularly and adequately according to law. The leaders of the Veterans' Federation of the Philippines participate actively in this committee.

The mandate of the committee is to formulate proposals on packaging a consistent and equitable stream of benefits to support our veterans.

The primary consideration taken into account by the committee's technical task force is to maximize the pension and benefit payments provided for under Republic Act 6948, as amended by Republic Act 7696, with the least adverse impact on the fiscal position of the National Government. You will recall that starting in 1993 and during the Ramos Administration the substantial increases in benefits for Filipino veterans especially for those 65 years and above have been coming steadily.

As veterans, however, we do not only look at our personal situation; we are always mindful of the larger picture that is our country—mindful always as in the past, at present and in the future—of the security, stability and progress of our beloved Philippines.

It should therefore come as good news to you that we are making definite progress in resolving the various internal conflicts that have haunted our country for years.

In Mindanao we are on the verge of fully concluding the 25-year-old separatist conflict that had taken thousands of lives and stunted the growth of our southern regions. Much progress has also been achieved on the CPP/NPA/NDF peace front and former military rebels have already returned to the mainstream of our law-abiding civil society.

### **Support our peace initiative**

As we meet here today, there are some who are still trying to derail and delay the peace process. All kinds of questions are being raised against the proposed peace agreement—especially the establishment of the Southern Philippines Council for Peace and Development. Anxieties and fears are being raised so as to fan public opposition to the agreement.

Nevertheless, based on the Mindanao-wide sampling of sectoral and political opinion, I am confident that the great majority of our people will support this peace and development formula.

The majority in the affected areas will support it. Our Armed Forces and National Police—who have had to bear the brunt of the fighting—will support it. And I now ask you, the veterans—will you support it? Peace remains our foremost objective. And we have never come closer to achieving a just peace in Mindanao than we are now.

If it is said by some that the agreement involves a compromise with the Moro National Liberation Front—the original Muslim rebels—let us on our part say that this is part of the price that must be paid in order to give peace a chance and to forge a win-win solution to sustainable development.

In return for justice, peace and progress in Mindanao—which includes our most depressed areas—the MNLF has expressed its willingness to change. For the first time, it has shown its willingness to give up its campaign for a separate state. And nothing demonstrates this more clearly than Chairman Nur Misuari's decision to run for governor of the Autonomous Region in Muslim Mindanao in a constitutional, democratic, electoral process.

### **A historic opportunity**

We have now before us a historic opportunity to finally break the decades-old conflict in Mindanao that has already cost us so much in terms of lives, time, good will and resources, and to turn the animosities it has engendered into a lasting unity. We need such a unity not only to achieve peace but also to open the way for the full and unimpeded development of that part of our country and the Philippines as a whole.

The democratic process must always be ascendant in our efforts and I thank the Veterans' Federation of the Philippines for supporting this principle. I want the peace process to move forward under the force of democracy. I

am also confident that all of us in this hall today prefer the possibilities of peace and development to a return to conflict and bloody violence.

Certainly, none of us wish the peace process to be set back by emotionalism and preconceived biases that may be based on religious and ethnic differences.

With peace attained in the South, we can release the full resources and energies of our land of promise for national development and strengthening.

With peace attained there, we can harness Government and private resources for economic effort and social cohesion.

With peace achieved, we can apply our budget to the modernization of the Armed Forces and the Philippine National Police, and to better afford the payment of adequate benefits to war veterans and the elderly. So when the time comes for me to step down in 1998, I can leave secure in the belief that our country is truly on a self-sustaining path to growth and social equity—that our country is stable politically—that young Filipinos will have a better future—that the Philippines will enter the new century stronger than when we began my presidency in 1992.

I am certain that this is not just my dream. This is also yours because you, my fellow veterans, my fellow senior citizens, have been my steadfast and loyal partners in the quest for peace and progress. You have been consistent in giving me the support that enabled me to stand strong when the fight was hard and the obstacles many

### **Give peace a chance to work**

Once again I appeal to you and our people to give peace a chance to do its work in the southern Philippines. Let us cast aside our fears and together look toward the vision of lasting peace and development for all peoples of Mindanao.

We live in rapidly changing times, and changing times call for innovative ways of dealing with conflicts and problems. As the leader of our nation, it is my responsibility to create conditions under which our people can work in peace, for the lasting benefit of our country.

Let us create a new structure of progress by bringing to the people the spirit of sharing, giving, integrating and uniting. Let us bring to the forefront the spirit of solidarity in order that we may become one truly progressive, cohesive, national society.

Now, when we stand so close to total victory over national decline and stagnation, we cannot relax our guard. We must march on—as a solid front into a just and abundant future.

Let the measure of our personal fulfillment and vindication be—as always—the security and the well-being of our people and our country.

*Source:* **Presidential Museum and Library**

Ramos, F. V. (1997). *Leadership for the 21st century : our labors today will shape our country's future*. [Manila] : Friends of Steady Eddie.



**Speech of President Ramos at the launching of Edelmiro A. Amante Sr.'s "35 Poems and Essays"**  
**Speech**  
**of**  
**His Excellency Fidel V. Ramos**  
**President of the Philippines**  
**At the launching of Edelmiro A. Amante Sr.'s *35 Poems and Essays***

[Held at the Manila Hotel, August 8, 1996]

**Poetry and governance**

THERE ARE interesting parallels between poetry and governance. In poetry, we speak of rhyme, rhythm and style. But these things are often attributes assigned to governance. Thus, from the time of kings and emperors to the sweep of democratic leaders, governments have accorded special places to poets and their poems, and poets have often departed from their usual themes to sing praises to their eras.

In England, for instance, we find some of the giants in English literature as poet laureates celebrating major strides in English history. In the United States, especially during the time of the Kennedys, we saw their national poets regale the country with immortal poems that celebrate America's best features. The poets attempted to project into the national consciousness values that make America great.

**Making time for things that last**

It is the lot of poets and national leaders to have to bear with critics. Some critics who often profess to know more than the targets of their attention deny the latter's value; others, perhaps knowing no better, sing hosannas to their talent and their achievements. Shakespeare had his share of critics. So did Winston Churchill.

At this stage in our national development, it warms my heart that amid the criticism lodged against politicians for various real or imagined sins as ineptitude, lack of achievement and inability to appreciate the finer things in life, we find Edel Amante, politician and former bureaucrat, making time for things that really last—poems and essays.

It is said that poetry, like music, soothes the savage breast. At other times too, poems inspire achievements in various fields and not infrequently shake the foundations of societies and countries.

**The rhyme and reason of our dreams**

Most of us are not as gifted as Amante in writing and could not hope to match his literary talent so ably demonstrated in this book which is now being launched. My best output during the past four years is a large volume of HWIs, or "handwritten instructions."

But having been privileged to assume positions of leadership in my career, I pride myself on being able to plumb the rhyme and reason of the Filipinos' dreams for a better tomorrow, their hopes for peace, security and development after decades of turmoil and poverty.

At this juncture of our history, the poet like Amante and the leader like myself responsible for the nation's performance, come together and find common cause in articulating our people's determination to find a higher place for themselves and for our country in the community of nations.

Let me note that Amante's poetry and prose and the most recent signals of the Ramos Administration for enduring peace and development for our beloved Philippines emanate from the South—from Mindanao.

We need to change old outlooks, strive harder to realize worthy goals, and our concern about the future of Mindanao all the more presses home this need. Where there is indifference, there should be commitment. Where there is stagnation, there should be acceleration. Where there is strife, there should be time to reason.

Where there is tension, there should be cooperation. Where there is ethnic conflict, there should be opportunity for reconciliation. And where there is clinging to the unproductive past, there should be the spirit of accommodation and innovation. For we must move on.

Our hopes for sustained peace and development in Mindanao require us to adopt such approaches and discard those that have not worked well before. Our initiatives in Mindanao show that we are creating. We are innovating. We are determined, for we are departing from a past that has brought discord and irrational divergences.

Like Mindanaoans—Christians, Muslims, lumad alike—we are all Filipinos. We should build together, instead of bringing damage to each other. We should unite in the building of a better Philippines for all, despite diversities in our society. We should celebrate the eternal verities, as Edel Amante has celebrated them in his poetry and his prose.

### **Worth reading and remembering**

This is what I meant when I said rhyme and rhythm are also the province of governance.

Amante's poems and prose are worth reading. They are also worth remembering, for they awaken us to the fact that tribulations produce perseverance, and perseverance molds character. And it is character that can take us beyond the trying moments of this time into an era when there can be a celebration of peace and plenty for all.

So I ask you to join me in congratulating Edel Amante for this great effort and the equally great results. May there be more such efforts and results in the near future so that young and old can drink from his fountain of experience, insight and wisdom.

*Source:* **Presidential Museum and Library**

Ramos, F. V. (1997). *Leadership for the 21st century : our labors today will shape our country's future*. [Manila] : Friends of Steady Eddie.

**Speech of President Ramos at the presentation of the first anniversary accomplishment report by the National Youth Commission**

**Speech  
of  
His Excellency Fidel V. Ramos  
President of the Philippines  
At the presentation of the first anniversary accomplishment report by the National Youth Commission**

[Delivered in Malacañang, Manila, August 16, 1996]

**Meeting  
of Jose Rizal**

**the**

**challenge**

AS WE WORK to realize our dream of attaining a decent quality of life for all our people and a respected place in the family of nations, it becomes even more imperative for Government to give serious consideration and attention to the development of the youth sector.

The reason is obvious and clear—only the youth can provide the kind of historical continuity that development programs of any great magnitude require. It must be realized that even if it meets its fundamental goals within our time, Philippines 2000” is a multigenerational project. Its long-term benefits—and its continuing success—will be for the next generation to achieve. We, the leaders of today, will not live forever—and so we will need you to pick up where we shall leave off. As Benjamin Disraeli so aptly put it, “The youth of a nation are the trustees of posterity.”

**The Administration’s program for youth development**

In the light of these facts, and recognizing the potentials of our youth as Government’s partner in the realization of our national goals, the Ramos Administration has adopted measures to advance the interests and improve the condition of our young citizens.

The passage of Republic Act 8044—which created the National Youth Commission and established a comprehensive and coordinated program on youth development—was a landmark achievement of the Ninth Congress. R. A. 8044 strengthened Government support for the youth and ushered in a new era for young Filipinos.

The creation of the Sangguniang Kabataan ensured significant and vital youth participation in government processes. The Sangguniang Kabataan has been our most fertile training ground for future legislators. It has added a new dimension to our democratic system, a concern important enough to merit the release of P33 million in additional funds from the Office of the President for the Sangguniang Kabataan registration and elections held last May.

**Insulating our youth from traditional politics**

In spite of the clamor in Congress to synchronize the Sangguniang Kabataan elections with the local elections, we took measures to insulate our young from the negative influences of traditional politics, to allow them to come into their own political maturity while keeping their idealism intact.

The establishment of the Technical Education and Skills Development Authority and the Commission on Higher Education manifests our desire to expand and to improve our training and educational system as a means to bring our youth into the circle of global competitiveness which we are fostering in our society and our economy

We are also studying and will soon be carrying out other ways to safeguard our young from moral degradation, drug abuse, violence, criminality, illiteracy, unemployment, environmental hazards and other social ills, and mold them into responsible, intelligent, morally upright and vigorous citizens.

I ask all of you through the National Youth Commission and the Sangguniang Kabataan to help us win these battles. They are being fought at a crucial juncture of our nation's history—not only because we can look back on a century of struggling for our freedom, but because we can look forward to another century of unprecedented peace and prosperity

This is also why we are fighting vigorously for peace in Mindanao, for genuine and lasting unity among all our people, so that we can turn our energies toward the attainment of our goals of economic growth with social equity

Peace and development are the objects of last June's Davao City consensus that Government reached with the Moro National Liberation Front.

That agreement envisions 14 southern provinces and its cities to be brought together and made into a special zone of peace and development—with Southern Philippines Council for Peace and Development to promote it.

Development cannot be an exclusionary process. If the nation is to progress, it must do so as a whole—and to do so as a whole, it must think and act as a whole, as Filipinos, and not just as Christians or Muslims or *lumad* or other individuals of varying backgrounds or beliefs.

#### **'If a Filipino wills, he can'**

This is what the zone of peace and development stands for—an opportunity with a precious time advantage during which all of us can work together without serious interruptions or disturbances to hasten community development and nation building.

Let us remember what Jose Rizal, the greatest of all young Filipino leaders and patriots—whose centennial we celebrate this year—said in this respect. In a speech he delivered in Madrid 105 years ago, Rizal spoke of the need for self-sacrifice and for unity in the service of the nation.

"Gentlemen," he said, "let us maintain firmly union and solidarity among us; let the good of the mother country be our only cause; and let us prove to everyone and make it clear— that if a Filipino wills, he can. These words are as true today as they had been then. We have it in our power to achieve the peace, prosperity and greatness our nation has not seen in a hundred years. And you in the youth sector can wield that power to great effect.

The ten-year accomplishment report on youth development delivered by Chairman Amina Bernardo during the tenth anniversary of the International Youth Year in the United Nations last year spoke well of our efforts in youth development. I direct you of the National Youth Commission to ensure with commitment and conviction that such efforts shall have indeed borne fruit by the year 2000.

Two years from now, we shall be celebrating the centennial of our independence. It is worth remembering that this centennial will celebrate the Filipino youth's courage and idealism without which we could never have gained our independence.

Your best gift to this nation

The most recent victories in our national life such as that symbolized in the Olympic silver medal won by Mansueto "Onyok" Velasco Jr. were gained by youths like you.

Last week, I received here in Malacañang Sarah Balabagan, who was convicted of killing her employer and who was later released from prison. Her release strengthens the brotherly ties between our country and the United Arab Emirates and proves what cooperation and compassion can achieve.

But while we may rejoice at her release from prison and at her escape from death, we should remain deeply concerned with why she left our country in the first place—at so early an age, risking life and honor, in pursuit of a better future for her family.

The best gift you can give to the nation on its centennial birthday in 1998 could very well be a deeper resolve to help keep our Sarahs adequately schooled and decently employed here in our homeland—and to produce more young Filipinos with the talent and the grit only you can give. While we may rejoice in our accomplishments, let us bear in mind still so much work to be done. As your President, I will need your help, and I call upon the National Youth Commission to continue to develop and guide programs that will truly empower the youth.

At this point, let me also formally launch the Sapasap Antidrug Abuse Movement created in memory of Nino Thor Sapasap, who was killed on the eve of his chairmanship of the Sangguniang Kabataan in his barangay in Tondo. I commend and thank the members of the Sapasap Movement for helping to unify youth efforts in combating abuse of dangerous drug and substances.

### **An antidrug abuse movement**

Nino Thor did not die in vain. His death has rekindled hope in all of us, and a new determination to root out the causes of evil and despair in our communities.

In his time, Rizal had wondered, "Where are the youth? Where are they?"

I have the highest hopes that the Filipino youth—many of the best of whom are with us today—will prove themselves worthy of Rizal's example.

In his final moments, he wrote in *Mi Ultimo Adios*:

"When my death is forgotten, my grave unmarked, let the plow turn the earth where I lie. May my dust make fertile the fields. Where the grass grows thickly, there I dwell.

"When night comes and my grave in darkness lies, break not the peace, kneel before the mystery. If you hear the sound of music, be not afraid. It is I."

Let us tell Jose Rizal: We, your grateful people, have not forgotten your sacrifice. We now use the plow to turn the earth of your legacy, so that enduring peace and sustained development may reign in our beloved land. We hear your music, which inspires us and strengthens us in our labors.

**Source: Presidential Museum and Library**

Ramos, F. V. (1997). *Leadership for the 21st century : our labors today will shape our country's future*. [Manila] : Friends of Steady Eddie.

**Speech of President Ramos on the Philippine observance of the Second International Day of the World's Indigenous Peoples**

**Speech  
of  
His Excellency Fidel V. Ramos  
President of the Philippines  
On the Philippine observance of the Second International Day of the World's Indigenous Peoples**

[Delivered at Camp Aguinaldo, Quezon City, August 16, 1996]

**A** **global** **family**  
**of peoples**

TODAY, we mark the culmination of weeklong activities celebrating the second International Day of the World's Indigenous Peoples. This day also ushers in Peace and Freedom Week, which I proclaimed to commemorate the martyrdom of Ninoy Aquino. There is much more than a casual connection to be established between these two events.

Ninoy's concern for the indigenous was clearly reflected in the prepared arrival speech that he would have delivered at the airport, where he met a heroic death.

**Justice for all Filipinos**

Ninoy's unsaid words underlined that "economics, social and political problems bedevil the Filipino. These problems can be surmounted if we are united. National reconciliation and unity can be achieved but only with justice, including justice for our Muslim and Ifugao brothers. Subversion stems from economic, social and political causes and will not be solved by purely military solutions. It can be curbed not with ever-increasing repression but with a more equitable distribution of wealth, more democracy and more freedom.

"The Filipino asks for nothing more, but will surely accept nothing less than all the rights and freedoms guaranteed by the Constitution—the most sacred legacies from the founding fathers."

These words were written thirteen years ago, but they remain highly relevant to our current efforts to provide equity and social justice to our indigenous communities.

The United Nations General Assembly, through Resolution 49/214 of December 23, 1994, proclaimed 1994-2004 as the International Decade of the World's Indigenous Peoples. At the same time it designated August 9 of each year of the decade as the International Day of the World's Indigenous Peoples.

To help organize the Philippine contribution to this effort, I signed Administrative Order 206 last month creating a national committee to mobilize Government agencies and to coordinate their efforts with non-Government organizations such as the Earthsavers Movement and the Tricap. The chairman of the committee is the Secretary of Foreign Affairs and its cochairman the Secretary of Education, Culture and Sports.

Earlier this year, the Philippines hosted the Global Indigenous Cultural and Youth Olympics (GICOS)/Summit for Peace and Sustainable Development as the country's initial activity for the decade in response to the U.N. resolution.

**Peace and unity: our commitment to cultural pluralism**

As I emphasized during that summit in February, concurrently with the 10th anniversary of our People Power Revolution at EDSA, the Philippines is firmly committed to the principles of cultural pluralism.

This commitment lies at the very heart of our self-image as a free people of diverse origins brought together into a forward-looking and progressive nation. The upliftment and the accordance of proper respect for the interests of our indigenous peoples is an essential and active ingredient of our Government's program of reforms.

The welfare and development of our ethnic communities have been specifically covered in our Social Reform Agenda, which is our action plan to bring social equity, poverty alleviation and social integration to all sectors of society, without severing them from their traditional cultural roots. The agenda aims to empower all Filipinos, regardless of ancestry, tribal grouping, language, religion or regional identification.

These considerations have been equally important for reinforcing the foundations of peace within and among communities. For peace to endure, the root causes of instability and conflict must be dealt with.

### **We must progress together**

This is also why we are fighting hard for peace in Mindanao, for genuine and lasting unity among all our people, so that we can turn our energies on our most positive goals, employing our most positive qualities.

Peace and development are the objects of last June's Davao City consensus that the Government reached with the Moro National Liberation Front. That agreement envisions our 14 southern provinces and the cities in them being brought into a special zone of peace and development—with a Southern Philippines Council for Peace and Development as one of the many mechanisms to promote it.

Development cannot be an exclusionary process. If the nation is to progress, it must do so as a whole—and to do so as a whole, it must think and act as a whole, as Filipinos, and not just as Christians or Muslims or *lumad* or other individuals of varied backgrounds or beliefs.

This is what the special zone stands for—an opportunity with a precious time advantage during which all of us can work together without serious interruptions or disturbances to hasten community development and nation building.

Let us remember what that greatest of all young Filipino leaders and patriots, José Rizal—whose centennial we celebrate this year—said in this respect. In a speech he delivered in Madrid 105 years ago, Rizal spoke of the need for self-sacrifice and for unity in the service of the nation.

“Gentlemen,” he said, “let us maintain firmly union and solidarity among us; let the good of the mother country be our only cause; and let us prove to everyone and make it clear—that if a Filipino wills, he can.”

In his final moments, he wrote in *Mi Ultimo Adios*:

“When my death is forgotten, my grave unmarked, let the plow turn the earth where I lie. May my dust make fertile the fields. Where the grass grows thickly, there I dwell.

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### **The root causes of our differences**

Let us tell José Rizal: “We, your grateful people, have not forgotten your sacrifice. We now use the plow to turn the earth of your legacy, so that enduring peace and sustained development may reign in our beloved land. We hear your music, which inspires us and strengthens us in our labors.”

For his part, Ninoy Aquino in that posthumous speech cried: “Must we relive the agonies and the blood-letting of the past that brought forth our republic, or can we sit down as brothers and sisters and discuss our differences with reason and goodwill?”

The root causes of those differences so often lie in poverty and discrimination, and in dealing with them, we can learn from the unique GICOS approach that integrates biocultural diversity, sustainability and social justice into the development process.

Our celebration today is doubly significant in that it is taking place within the International Year for the Eradication of Poverty. The indigenous people are among the poorest, the most underserved, the most vulnerable, the least educated and the most disadvantaged group in our society.

If we are serious about national development—if development is to be for all Filipinos, and not just for a privileged and powerful few—then we must assume the burdens of our ethnic people as a special and urgent concern.

One of the most important features common to the various bills on ancestral domain is the provision for the creation of a Commission on Ancestral Domain, which would in effect unite the functions of the present offices dealing with matters affecting the indigenous cultural communities.

The new proposed organic act to create the Cordillera Autonomous Region will carry out the same constitutional mandate that has already been enjoyed by the Autonomous Region in Muslim Mindanao.

I invite everyone who hopes for the improvement of the lives of our indigenous people to participate in the hearings in Congress on these bills and submit their comments, suggestions and recommendations to the appropriate congressional committees so that the final version will be imbued with added value and wisdom.

### **Protecting human rights**

I also take this opportunity to refer to the five-year Philippine Human Rights Plan (1996-2000), which was the product of a consultation process led by the Philippine Commission on Human Rights. The first version of the plan identified 12 vulnerable sectors of society, including the indigenous peoples, and outlined a rational action plan to protect and promote the rights of these sectors.

To ensure that indigenous peoples benefit equally from the rights and opportunities that are granted other members of our society, I ask everyone's support for the ratification of ILO Convention 169, which is spearheaded by Senator Heherson Alvarez.

This convention enshrines the rights of our *katutubo* to enjoy without discrimination the full measure of human rights and fundamental freedoms. Special measures—which cannot be contrary to their freely expressed wishes—shall safeguard the persons, institutions, property, labor, cultures, environment and spiritual values of the peoples concerned.

Various other provisions of the convention deal in detail with the social, cultural and religious values and practices of indigenous peoples as well as their right to decide their own development, their customary laws and the prohibition of the exaction of compulsory personal services.

### **Other universal concerns**

This convention is one of the clearest and most powerful statements of humankind's universal concern for its indigenous members.

In the United Nations, our mission to the UN in Geneva is actively monitoring the work of the Working Group on indigenous populations, which has drafted a declaration on the rights of indigenous peoples.

We have officially submitted the Manila Declaration on Indigenous Peoples, Youth and Their New Partnership for Peace and Development, and the GICOS action program to the UN Center for Human Rights through Dr. Ibrahim



Fall, its executive director and coordinator for the Decade, who represented UN Secretary-General Boutros Boutros-Ghali at the GICOS summit.

Another issue that is being actively considered in the UN is the creation of a permanent forum for indigenous peoples. Our Government has expressed its support for this initiative in principle.

The past GICOS summit remains a unique Philippine and global opportunity to advance the education of youth for the richness of the arts and experiences of our indigenous peoples.

A post-GICOS memorandum of agreement and a host of project commitments by the GICOS organizers composed of Government agencies and NGOs will continue to support indigenous peoples and our youth in their age-old role as stewards of nature.

I am delighted to see so many institutions engaged in piloting a model summer workshop for youth immersion in the indigenous cultural communities of Higaonons, Manobos and Mamanuas of northern and central Mindanao.

Finally I also recognize and acknowledge the important contributions of the Earthsavers Movement, Tricap, the Philippine Federation of Indigenous Women, the Tribal Council of Elders, and their partner agencies—Office for Northern Cultural Communities, Office for Southern Cultural Communities, Office of Media Affairs—and the other members of the national committee for the world's indigenous peoples who helped to organize today's activities.

### **The struggle of indigenous peoples**

This day and this past week are the renewal of our efforts to advance the interests of our nation's—and our planet's—first citizens. As we lead them into the 21st century, let us be guided as well by their wisdom, by their love for the land and for nature, and by their great courage in the face of the most daunting challenges of our time.

I thank you all for your efforts and your contributions to the welfare, the advancement and the future of all indigenous Filipinos, and of all indigenous peoples the world over. Our commitment to them affirms our belief in humankind as a global family of peoples and in ourselves as Filipinos as responsible members of that family.

As Rigoberta Menchu, 1992 Nobel Peace awardee and the special guest of the 1993 Global Youth Earthsavers Summit at the Batasang Pambansa, declared: “Long live the struggle of the indigenous peoples! Long live the freedom of the men and women of the world! Long live the cultural exchange of our peoples!”

*Source:* **Presidential Museum and Library**

Ramos, F. V. (1997). *Leadership for the 21st century : our labors today will shape our country's future*. [Manila] : Friends of Steady Eddie.

## Speech of President Ramos at the International Conference on “The Philippine Revolution and Beyond”

Speech  
of  
His Excellency Fidel V. Ramos  
President of the Philippines  
At the International Conference on “The Philippine Revolution and Beyond,” convened by the National  
Centennial Commission and the National Commission for Culture and the Arts

[Delivered at the Manila Hotel, August 21, 1996]

**Our  
the past is present**

**Revolution:**

WE BEGIN with words of thanks for all of you who are making this happen—for the international scholars who have traveled great distances to take part in this dialogue; for the Filipino historians who have been engaged all these years in the reconstruction and interpretation of our history; and for the organizers who were not daunted by the task of gathering these many brilliant minds under one roof.

The calendar defines the significance—and the timeliness—of this conference. This year we mark the centennial of the Philippine Revolution. This week, August 16-22, we celebrate Peace and Freedom Week. Two days from now, on Friday, August 23—our people and our country will commemorate the Cry of Pugad Lawin, which signaled the start of the Philippine Revolution of 1896.

### **A year of commemorations**

It is striking that our Revolution started—neither with a “shot heard round the world” nor with the spilling of blood— but with the singular act of Andres Bonifacio and his fellow Katipuneros tearing up their *cedulas*, or tax certificates—the symbol of Spanish sovereignty over the Filipinos.

On December 30 we will mark the centennial of the martyrdom of Dr. Jose Rizal, whose life and work more than anything else inspired our national revolution—which led to General Emilio Aguinaldo’s proclamation of independence from Spain on June 12, 1898. From these revolutionary beginnings the first republic in Asia was born. Rizal wrote on the eve of his execution, in his *Mi Ultimo Adios* (My Last Farewell): “When my death is forgotten, my grave unmarked, let the plow turn the earth where I lie. May my dust make fertile the fields. Where the grass grows thickly, there I dwell.

“When the night comes and my grave in darkness lies, break not the peace, kneel before the mystery. If you hear the sound of music, be not afraid. It is I.

But Rizal’s death is not forgotten, and the spot where he fell, on the old Bagumbayan Park near this historic Manila Hotel, is for us Filipinos hallowed ground. To commemorate the centennial of Rizal’s martyrdom, I approved yesterday the commissioning and minting of a special P500-silver coin.

### **Young men born to be heroes**

Of our heroes of the propaganda period and the Revolution, the most striking quality was how young they all were. Rizal at age 26 had finished his incendiary novel, *Noli Me Tangere*, followed quickly by its sequel *El Filibusterismo*— and was dead at 35.

Andres Bonifacio founded the secret society Katipunan when he was 29 years old. When the Revolution began, Bonifacio’s faithful deputy Emilio Jacinto was still four months short of 21. And Emilio Aguinaldo at age 27 was the victorious general of the Revolution; and at 29 president of Asia’s first republic.

Not coincidentally, we also commemorate—today—the thirteenth anniversary of the martyrdom of Ninoy Aquino, whose assassination on August 21, 1983, set off the “People Power Revolution” that freed our country from dictatorship in February 1986.

In the speech he had prepared for his homecoming—a speech he never got to deliver, because he was taken off the plane he flew in and shot dead on the tarmac—Ninoy wrote:

‘The Filipino asks for nothing more, but will surely ask for nothing less than all the rights and freedoms guaranteed by the Constitution . . . the most sacred legacies from the founding fathers.’

In the same manner that Jose Rizal’s martyrdom paved the way for Philippine independence in 1898, Ninoy inspired the awakening and unification of our people toward the restoration of democracy and the rule of law in our country. Now that Ninoy’s dream of a truly democratic society is well on the way to realization, we can redirect our collective efforts to working for the development of our nation and the upliftment of the lives of our people.

This conference is a vivid reminder that we—the grateful countrymen of Bonifacio, Rizal, Aguinaldo and Ninoy Aquino—have not forgotten their words and their example. The nation they founded and strengthened abides and endures—because we as a people have kept faith with them.

### **Asia’s first free republic**

But there is yet another dimension to this conference on the Philippine Revolution. With all of you, I share the conviction that this landmark period in our history deserves—and has long deserved—international attention and inquiry. For it is not for nothing that the Philippine Revolution gave birth to the first free republic in Asia.

As we retrace the onset of independence struggles in the old colonial world, we find, again and again, echoes—reverberations—of what took place in the Philippines a hundred years ago.

For instance, in his historical novel *Awakenings*, the well-known Indonesian writer Pramoedya Ananta Toer memorializes what our forebears did at the turn of the century. In a lengthy passage, one of Pramoedya’s characters speaks of the situation in the Philippines at the time, and of how he fervently hopes that someday the peoples of the Netherlands Indies would follow the example of the Filipinos.

Pramoedya writes: “The more European science and learning Natives obtain, whatever their race or nation, the more it is certain they will follow in the footsteps of the Filipino Natives, trying to free themselves from European rule. The Filipino natives wanted to stand up themselves as a free nation, acknowledged by all the civilized nations of the world.”

### **The ‘hidden hostelry’ of the Revolution**

Yet much of the significance of the Philippine Revolution lies in what historians call “hidden history”—because most historical writing in this century that is known to the world was written from the Western viewpoint—with its unavoidable prejudices, omissions and self-praise.

Even the honorific terms for national struggle have been denied us. Our Revolution has often been described as a mere “rebellion.” And the war we waged against the Americans almost immediately afterward in 1899—to preserve the freedom we had won from the Spaniards—has been termed an “insurrection.”

I assure you we have no desire to inflate the significance of our Revolution; we seek only to know all the facts and to learn its true measure. And these only you as scholars can supply.

What significance other peoples and other nations may find in this exercise of probing the Philippine Revolutionary past we can only dimly imagine. But for our country and our people, this is of transcendent meaning and importance.

The writer William Faulkner once said: "History is not 'was,' it's 'is.'" The past is always in the present—and it will be in the future. In a similar vein, our own Rizal wrote—"We are anxious to learn of the Philippine past, which we need to understand . . . so that we can plan intelligently for the future." Nothing in the past tells us more about ourselves—of what we as a people are capable—than the great acts of courage and faith that made us a nation. And no event in our history lifted our people's sights more to the future than our Revolution of 1896.

It has often been said that the Philippine Revolution ended in failure. Because we Filipinos succeeded in overthrowing Spanish rule only to fall into the hands of an American republic seeking its "manifest destiny." It has also been said that since 1896, our history has been one long, unfinished story of completing our Revolution.

### **The Revolution's relevance to our times**

Without presuming to do the work of scholars and historians, I believe that in this lies the abiding relevance of our revolution of 1896 to our own times—and the living connection of our people to the taproot of nationhood.

At one end, we Filipinos have always known the continuity of our revolutionary struggle—our struggle for independence and national sovereignty; our struggle for democracy and human rights; and our struggle for peace and development. That struggle against foreign domination really started with chieftain Lapu-lapu's cry at Mactan after defeating Magellan in April 1521: "I bow to no man, I owe allegiance only to my people."

At the other end, we acutely feel the tension between the claims of tradition and the dynamics of modernization. At every stage in our history, and in every sphere of our lives, we have constantly struggled to make past and present coexist—to be harmonized in a united whole as we face the challenges of the 21st century.

As we make our way toward the future, we are more than ever conscious of the revolutionary dreams we must redeem, and the balance we must strike, between tradition and modernization.

In our strivings to modernize national society—and to win our place of dignity in the world community—we need more than ever to renew ourselves, in the roots and sources of our nationhood. We need to return afresh to the parent stem of our republic—and to derive inspiration from the life and work of our heroes.

Because the dangers to a nation are not only violence and force from within and without. Peril to the nation can also come from forgetting.

As one Filipino proverb puts it: *Ang di marunong lumigon sa pinanggalingan, ay di makararating sa paroroonan*. "He who would not look back where he came from will never get where he wants to go."

This is why we Filipinos regard history as a seamless web—and why we who lead this nation today see ourselves as heirs to heroes—entrusted to carry on what those generations of Filipino leaders who came before us tried to do.

### **The struggle for peace and development in our time**

Foremost among these goals is the struggle for Filipino community—which Rizal, Bonifacio and Aguinaldo—and Ninoy Aquino after them—waged, each in his time and in his own way.

This selfsame cause of national unity the Ramos Administration tries to serve and to promote.

I have just returned from a peace mission in the province of Lanao del Sur in our southern island of Mindanao, where a Muslim secessionist movement has been fighting the Philippine state for 25 years at the cost of more than

120,000 Filipino lives. Last Monday, I met the secessionist leader Nur Misuari of the Moro National Liberation Front—and we together committed to create a Zone of Peace and Development in our southern regions.

Chairman Misuari and I agreed to seize the chance our patient negotiators have created—to take bold steps together to reshape the future of Mindanao—to turn its people from conflict to reconciliation; from mutual distrust to the unity of brothers; from stagnation and poverty to economic growth, social cohesion and sustainable development.

In this way—through that peace—we carry on the work of our heroes—of creating a Filipino nation.

At the time of the Philippine Revolution, we were a colonized country of 6.2 million people. Today one hundred years later, we are a free, open and democratic republic of 69 million people.

### **Completing the Revolution**

One hundred years ago the Filipino nation came to birth from the strivings of young patriots like Jose Rizal and Andres Bonifacio. Now through the collective efforts and resilience of the present generations of Filipinos, we will complete the Revolution—by realizing its controlling vision of a land of freedom and peace, of sharing, caring and daring.

Today we Filipinos can tell Jose Rizal with conviction—and, through him, our entire pantheon of heroes: “We, your grateful people, have not forgotten your sacrifice. We now use the plow to turn the earth of your legacy, so that enduring peace and sustained development may reign throughout this land we love.”

*Source:* **Presidential Museum and Library**

Ramos, F. V. (1997). *Leadership for the 21st century : our labors today will shape our country's future*. [Manila] : Friends of Steady Eddie.

**OFFICIAL GAZETTE OF THE REPUBLIC OF THE PHILIPPINES**

**ATIONAL GOVERNMENT PORTAL – EDITED AT THE OFFICE OF THE PRESIDENT OF THE  
PHILIPPINES UNDER COMMONWEALTH ACT NO. 638**

**Speech of President Ramos at the inauguration of the Filipinas Heritage Library and Interlink**

**Speech  
of  
His Excellency Fidel V. Ramos  
President of the Philippines  
At the inauguration of the Filipinas Heritage Library and Interlink to all Filipiniana collections in local and  
foreign libraries as a gift to the nation by the Ayala group of companies and the Zobel family**

[Delivered at the Nielsen Tower, Makati, August 23, 1996]

**A heritage for the people**

IN THE HISTORY of mankind, historians tell us, there are times when history and fate meet at a single time and in a single place to shape a turning point in the quest for freedom. Such were the Bastille in Paris in July 1789, in Lexington, Massachusetts, in April 1775, at the tarmac of the Manila international airport on August 21, 1983, and at EDSA in February 1986.

Pugad Lawin was also such a place, and the cry that Andres Bonifacio and his fellow Katipuneros shouted there was such a turning point in our people's quest for freedom.

**A handful of brave men**

In tearing up their *cedulas*, or tax certificates, our revolutionary forebears did not merely repudiate the claims of Spanish colonial power to their persons and their possessions. It was an act of a handful of brave men for all our people—or the six million Filipinos living then, and for the many generations of Filipinos who came after them, now numbering 69 million strong.

An appreciation of our history and our culture as a people is critical in the proper analysis of the problems that face us in the present time. Whether it is in the search for peace and development in Mindanao, or in the continuing war we are waging against poverty, we must be guided by our knowledge of history, for the past provides a wisdom more profound than our own.

This is the higher significance of this occasion at Ayala Triangle—100 years after Pugad Lawin. I thank you of the Ayala Group and the Zobel family for this wonderful gift of knowledge that is the Filipinas Heritage Library, which I accept in behalf of our Government and the Filipino people. This gift will be Ayala-Zobel's legacy not only to those of us who will enjoy it in our lifetime, but to all Filipinos still to come who will share with us our pride in our revolutionary past.

**“I bow to no man”**

At one end, we Filipinos have always known the continuity of our revolutionary struggle—our struggle for independence and national sovereignty; our struggle for democracy and human rights; and our struggle for peace and development. That struggle against foreign domination really started with chieftain Lapu-lapu's cry at Mactan after defeating Magellan in April 1521: “I bow to no man, I owe allegiance only to my people.”

Our efforts to achieve unity as one nation and one people amid our diverse cultural traditions and languages will be greatly aided by a facility such as this Filipinas Heritage Library. As a repository of books and documents on Philippine history and culture, the library becomes a well-spring of information and knowledge that will help us discover ourselves. That discovery and self-knowledge shall allow us to have a deeper understanding of others as well.

It shall also serve as a wide-open door to the rest of the world through which citizens of other countries can enter and meet our noble ancestors as well as know and appreciate our present condition as an aspiring nation.

By this gift, Ayala-Zobel has enabled us to take a quantum leap into the 21st century by creating an electronic library and a gateway to other Filipiniana collections. Through such technologies and knowledge networks, we link our 7,107 islands among themselves and connect our national society to the world of the future.

Your vision of creating a vast web of information stations across the country will reduce the disadvantages of those Filipinos who live in areas far from the amenities of highly urbanized cities. One of the linchpins of my Administration is the pursuit of social equity and is the reason for the rapid deregulation of our transportation and telecommunications industries. By giving every Filipino easier access to basic services and infrastructure, we provide equal opportunity for each to move up and level the playing field of competition.

We can envisage a time when—with libraries and universities in every province and city of the Philippines and with a telephone line (perhaps a globe line) and a computer—ready access to the wealth of information and knowledge in our country and around the world becomes an ordinary happening.

This library represents in many ways a new kind of revolution. Democracy and freedom, for which our revolutionary heroes fought and sacrificed 100 years ago, cannot be sustained and nurtured without free access to information.

### **One flag, one Constitution, one people**

This is why dictators and authoritarian regimes had always tried to maintain control of the media so that they could control and manipulate the flow of information. Information is probably the most important resource for success in business and for good democratic governance—for decisions are only as good as the information on which they are based. More than ever, in this modern age, information is power

As we celebrate today the 100th anniversary of Andres Bonifacio's Cry of Pugad Lawin, we realize, all over again, how important freedom is to the Filipino people. One hundred years ago our heroes of the 1896 Revolution challenged the might of imperial Spain in spite of their meager resources, proving that 300 years of foreign domination had not subdued the Filipino spirit.

The same indomitable spirit sparked our peaceful people-power movement at EDSA in February 1986.

It is our fervent hope that the independence centennial celebrations over the next two years will deepen our patriotic fervor and strengthen our unity as a nation.

A century ago our heroic forebears tore up their *cedulas* to signify their resolve to fight the might of Spanish empire for our people's right to be free and sovereign over this land. Today we strive to bind our people together under one flag, one Constitution, one democracy, one republic.

### **The healing hand of peace**

A century ago our heroes shattered the tranquillity of colonial rule with a ringing cry for revolution. Today we who are their heirs strive to bring the healing hand of peace upon the conflicts in our land—especially in Mindanao where now we stand so close to forging a just, comprehensive and enduring peace.

A century ago our heroes dreamed of a free Philippines yielding its full bounty of progress through the sweat and toil of our people. Today we labor to redeem that revolutionary dream by bringing our country to full modernization and to a higher place of respect and dignity in the family of nations.

A century ago our heroes fought with bolos and antique muskets and shed their blood on hallowed battlefields. Now we fight the battles with computers and cellular phones in our classrooms, workplaces, laboratories and markets.

As this Filipinas Heritage Library honors our heroes, it also honors every Filipino who strives for better appreciation of our history, our economic progress, our social development and our culture and arts.

Once more, I thank the Ayala Corporation, Ayala Land and the rest of the Ayala Group as well as the Zobel family for offering this precious gift to the Filipino people.

I shall treasure this second edition of *Noli Me Tangere*, and the lifetime membership in the Sirkulo Makati which you have gifted me. These I shall put to good use.

### **Let us win the future together**

May your entrepreneurial creativity, your compassion in corporate philanthropy, and your leadership in the patronage of culture and the arts be a continuing inspiration to all our business leaders so that they too may manifest the same altruism in fighting poverty, ignorance and inequity. Let us—all Filipinos—win the future together, a future more bountiful and more equitable for our beloved Philippines.

*Source:* **Presidential Museum and Library**

Ramos, F. V. (1997). *Leadership for the 21st century : our labors today will shape our country's future*. [Manila] : Friends of Steady Eddie.



**NATIONAL GOVERNMENT PORTAL – EDITED AT THE OFFICE OF THE PRESIDENT OF THE PHILIPPINES UNDER COMMONWEALTH ACT NO. 638**

**Speech of President Ramos at the signing of the Final Peace Agreement between the Government of the Republic of the Philippines and the Moro National Liberation Front**

**Speech  
of  
His Excellency Fidel V. Ramos  
President of the Philippines  
At the signing of the Final Peace Agreement between the Government of the Republic of the Philippines and  
the Moro National Liberation Front**

[Delivered in Malacañang, Manila, September 2, 1996]

**Break not the peace:  
‘We are all victors’**

TODAY we not only witness history: we make it. Today, with the formal signing of this Final Peace Agreement between the Government of the Republic of the Philippines and the Moro National Liberation Front, we bring to a close 25 years of conflict, at the cost of more than 120,000 Filipino lives.

Today we launch a new era of peace and development for Southern Philippines, and for the Philippines as a whole.

On behalf of all our people and the Philippine Government, let me convey my highest commendations to the members of the negotiating panels, Chairman Manuel Yan of the Government of the Republic of the Philippines (GRP) and Chairman Nur Misuari of the Moro National Liberation Front (MNLF).

**Forging the peace first**

Here in our own land, this agreement falls squarely into our aspiration of total peace and development for all, especially the millions of poor and destitute masses in our southern regions. That we have made Mindanao the focus of our concerns fittingly demonstrates its vital role in the overall enterprise of nation building. We must forge the peace first in Mindanao because it has suffered the most and harbors many of the most depressed communities in the land.

The cycle of poverty and conflict must finally be broken, and this peace agreement is the cutting edge of our determined efforts. And it is bound to succeed not merely by force of the noble intentions of its participants, but because it rides the crest of mankind’s universal aspirations.

We could never have contemplated these dreams, however, if we did not have good allies in our quest. Here and now, we are proud to have with us one of the best teams of peacemakers in the world.

I speak of the distinguished Indonesian delegation led by Foreign Minister Ali Alatas, a master of principled negotiation and the key troubleshooter of the Cambodian peace settlement—a man of eloquence, profound intellect and a deep sense of humanity. I remember very well that it was in Cipanas, Indonesia, in April 1993, where he proposed the first step in the Mindanao peace process—the signing of an interim cease-fire agreement—that came into fruition in November of that year.

**Negotiators and troubleshooters**

Our people are grateful, indeed, to the Indonesian Government and President Soeharto, who placed his most qualified and experienced officials at the presiding end of the negotiating table.

We have here with us Ambassador Wiryono, the presiding officer of the plenary sessions, also a veteran of the Cambodian peace talks, former Indonesian ambassador to France, and now to Australia; Dr. Nur Hassan Wirayuda, an unassuming man of commitment and persistence—the presiding officer of the mixed committee; Ambassadors Pieter Damanik and Abu Hartono, former and present Ambassadors of Indonesia to the Philippines, respectively—who performed the crucial role of principal coordinators of the committee meetings in the Philippines; Brigadier Generals Asmardi Arbi and Kivlan Zen, former and present heads of the cease-fire observer and monitoring team, respectively—who traversed Mindanao to help resolve critical problems attendant on the implementation of the interim cease-fire agreement; and all the other officials of the Indonesian Ministry of Foreign Affairs—the chairmen of the support committees, the secretariat staffs and scores of others who quietly worked to ensure the smooth forward movement of the entire process.

The Filipino people also convey their gratitude to the Libyan Jamahiriya under the leader of the first of September Revolution, Colonel Muammar Qadhafi, his Foreign Secretary, Al Mountaser, who promoted the progress of our joint efforts, joined by other stalwarts of the Jamahiriya such as Undersecretary Ahman bin Khayyal, presiding officer of the first exploratory talks held in Tripoli in October 1992; Undersecretary for Asian Affairs Salim Amer; and the indefatigable and most dedicated secretary of the Libyan People's Bureau in the Philippines, Ambassador Rajab Azzarouq, who played a lead role not only in facilitating the peace talks, but also in essential humanitarian endeavors related to hostage negotiations in the wake of past terrorist kidnappings in Mindanao.

### **Shepherds of peace**

We thank the Organization of the Islamic Conference (OIC) under Secretary-General Dr. Hamid Algabid, who also consistently placed its best and most dedicated officials to help the negotiations, starting from the constructive participation of Deputy Secretary-General Ibrahim Saleh Bakr in Cipanas; and his successor, Ambassador Mohammad Mohsin, who brought practical good sense to many aspects of the peace talks, together with his assistant, Ambassador Ali Zwawi.

And there are many more who deserve our accolade, especially those who inspired and gave impetus to our efforts. I speak of King Fahd of the Kingdom of Saudi Arabia, who holds our nation and people in great esteem, the national leaders of Senegal, Bangladesh and Somalia, and their respective Foreign Ministers—all represented here under the collective banner of the OIC Ministerial Committee of the Six—who have been supportive of our peace process all the way.

All these leaders, workers and shepherds of peace have made immeasurable contributions toward shaping this agreement, which is a monument to national solidarity and international friendship. We are all humbled by their devotion to our common cause of peace and, most of all, by their affection for our country and the Filipino people.

### **The Malabang encounter**

I have the highest regard for the statesmanship and moderation with which Chairman Misuari has conducted his end of our discussions throughout this process. Just two weeks ago, Brother Nur and I met in the town of Malabang, Lanao del Sur. It had been some 10 years since we two last met in Jolo, Sulu—in September 1986, during his meeting with former President Corazon C. Aquino, who must be credited with forging the first Mindanao-wide cease-fire with the MNLF.

Those 10 years—and what we have done since then to gain each other's trust and move peace ahead—have made all the difference. Our people in the South and all over our Republic can now rejoice and embrace one another as brothers and sisters of one family. There has been no moment more joyful and more auspicious in our recent history—not since we overthrew the dictatorship at EDSA 10 years ago. Today we are all victors once again. We stand triumphant over war and violence—over fear and mistrust—over disunity and despair.

It is most fitting that this agreement is signed 14 days after that encounter at Malabang, and just two days after it was announced that the gross national product of our country posted its highest rate of economic growth since 1990. Political stability and economic growth are mutually reinforcing elements. And as we begin the journey to permanent stability in Southern Philippines, I assure you that we can now strive for higher economic growth never heretofore imagined or anticipated by our own economic planners.

Mindanao lies at the heart of the Brunei-Indonesia-Malaysia-Philippines East ASEAN Growth Area, one of the most vibrant transnational growth areas in the world today. And as we fit the scenario of total peace and development into the coming era of free trade in the 21st century—we shall have acquired an economic momentum not merely rising to the challenge of sustainable development, but also injecting the vigor of ASEAN into the entire Asia-Pacific region.

Today we reclaim for ourselves and for one another—as well as for all those who will come after us—the blessings and the bounties of enduring peace, social justice and people empowerment, which this agreement promises.

Necessarily, to reach this accord, both sides had to accept the spirit of give-and-take. Without such accommodation—as we know well from any and all negotiations to end protracted conflict—no end to strife is possible.

### **Making peace work**

Along the way, we in Government recognized the necessity of harmonizing the provisions of the Tripoli Agreement—which the MNLF viewed as basic to a settlement—within the mandates of the Philippine Constitution and existing laws.

The MNLF for its part recognized the necessity of democratic consultation within the affected communities as essential to a doable formula for peace and development.

It has taken us some time—47 months of sustained and sometimes contentious negotiations—and great effort on all sides to come to this agreement. Now we must match the due diligence and the intensity of purpose with which the two panels, assisted by the OIC, crafted these terms with an even greater—and no less sincere—commitment to making peace work. While we may have stilled the guns of war, the more complex and arduous tasks of peace and development have just begun.

At this juncture, I pay special tribute to our Government panel, under the leadership of Chairman Manuel Yan, for a job well done. It is not too well known that Chairman Yan—former four-star General and Chief of staff of the Armed Forces of the Philippines, our Ambassador to various countries, and Undersecretary of Foreign Affairs—is the one and only remaining veteran of World War II still in the active service of the Philippine Government—a record of public service that spans 60 years.

### **Sharing a common vision**

His able coworkers include Congressman Eduardo Ermita (Vice Chairman), and members: Vice Governor Nabil Tan of the Autonomous Region in Muslim Mindanao (ARMM), former Senator Santanina Rasul, Professor Rudy Rodil, and the late former Maguindanao governor Sandiale Sambolawan, plus advisers Executive Secretary Ruben Torres, Senator Orlando Mercado and Congressman Nur Jaafar, Congresswoman Belma Cabilao, Congressman Antonio Dequina and House Deputy Speaker Simeon Datumanong, who drafted the original working papers for the ZOPAD/SPCDP with Secretary Alexander Aguirre.

The root causes of the problems that led to these decades of conflict in Mindanao will not go away with this agreement. Left unattended, they can worsen and undo much of the confidence and optimism created by the goodwill between us.

By this agreement, however, we have resolved to deal decisively with those problems—to do battle against poverty and injustice—together, as one people and one national team.

We have come to share this common vision because we have come to see and to accept—with pride and with affection—our common lot as Filipinos. It is not only the great island of Mindanao that all Filipinos share, but the entire Republic and our people's future. Whether we are Christian, Muslim or indigenous peoples, we face the same challenges and opportunities in the new century of growth. Our collective responsibility now is to ensure that we can enter the 21st century together, vigorously—on the same footing—with stronger capabilities to make the best of our potentials—and to compete successfully with the rest of the world.

Development cannot be an exclusionary process. If the nation is to progress, it must do so as a whole—and to do so as a whole, it must think and act as a whole, as Filipinos, and not just as Christians or Muslims or individuals of other backgrounds or beliefs.

We have fought hard for peace in Mindanao—for genuine and lasting unity among all our people—so that we can devote our energies to our most cherished goals, employing our most positive qualities. There is too much at stake in the Filipino future for us to impair our chances with continued partisan conflict and discord.

### **The welfare of the native land**

The opportunities for greater trade and commerce with our neighbors in Asia, the Middle East and Africa are as rich and exciting as ever, and the rising expectations of all Mindanaoans for a better quality of life demand an immediate and concerted response.

All over Mindanao, one senses a tremendous reserve of vigor and talent waiting for an opportune moment to be unleashed. That moment has come—and the growth this peace should generate will become its own assurance that never again must Filipinos be so desperate as to take up arms against one another.

This agreement brings us closer to realizing the true national community that our heroes dreamed, and fought and died for: Jose Rizal, Marcelo del Pilar, Andres Bonifacio, Emilio Jacinto, Graciano Lopez-Jaena, Emilio Aguinaldo, Apolinario Mabini and Ninoy Aquino, and a host of others who now are part of our revolutionary heritage.

More than a hundred years ago, Rizal himself enunciated the principle by which this day's commitments can be best described: "Let this be our only motto," Rizal wrote his friend Mariano Ponce, *"For the Welfare of the Native Land,"*

We must have faith in one another, in our capacity to do good, to build, to help. Again I must draw on the wisdom of another hero, Ninoy Aquino, who wrote—in that speech he would have delivered at the airport upon his return on August 21, 1983: *"Must we relive the agonies and the blood-letting of the past that brought forth our Republic, or can we sit down as brothers and sisters and discuss our differences with reason and good will?"*

In *Mi Ultimo Adios* Rizal enjoined our people, thus: "When my death is forgotten, my grave unmarked, let the plow turn the earth where I lie. May my dust make fertile the fields. Where the grass grows thickly, there I dwell.

"When night comes and my grave in darkness lies, break not the peace, kneel before the mystery. If you hear the sound of music, be not afraid. It is I."

As we approach the celebration in 1998 of the centennial of our nation's independence, we can offer no greater gift to our heroes and to our people than this gift of peace and unity.

### **The nation of our dreams**

This is what the Zone of Peace and Development (ZOPAD) and the Southern Philippines Council for Peace and Development stand for—an opportunity for all of us to work together, to prove our commitment to the greater community of the nation.

Indeed, while the Council has drawn the most attention and controversy, I believe that the far more important decision we have taken is to create a zone of peace and development from out of our 14 southern provinces and the 9 cities therein, with a precious undisturbed period of two or two and a half years for rebuilding.

If the zone succeeds, then our entire country will move up—and without leaving any region, any province, any social group behind. Even more important, by creating ZOPAD, by binding the 14 southern provinces together in ties of economic interdependence and mutual benefit, we will enable diverse Southern peoples—Muslims, Christians and indigenous peoples alike—to forge for themselves one community, which shall then become fully integrated into the larger zone of peace and development we want the Filipino nation to become.

Today we have all come closer to becoming that nation of our dreams. By our resilience and political will, we have proved ourselves worthy of our nationhood. And again I thank all those who made possible this historic opportunity for us to come together and to work in unity as brother and sister Filipinos.

*Source:* **Presidential Museum and Library**

Ramos, F. V. (1997). *Leadership for the 21st century : our labors today will shape our country's future*. [Manila] : Friends of Steady Eddie.

**NATIONAL GOVERNMENT PORTAL – EDITED AT THE OFFICE OF THE PRESIDENT OF THE PHILIPPINES UNDER COMMONWEALTH ACT NO. 638**

**Speech of President Ramos at the Annual luncheon forum of the Foreign Correspondents' Association of the Philippines, October 17, 1996**

**Speech  
of  
His Excellency Fidel V. Ramos  
President of the Philippines  
At the Annual luncheon forum of the Foreign Correspondents' Association of the Philippines**

*[Delivered at the Manila Hotel, Manila, October 17, 1996]*

**Real  
and false issues**

**problems**

WHEN I WAS PREPARING to enter politics in mid-1991, I thought I was getting sage advice from former US President Calvin Coolidge when he explained why he was a man of few words. "I found out early in life," he said, "that you never have to explain something you have not said."

Yet to my complete shock, over these past four years, I have discovered that in politics you must explain again and again what you have not said.

I thought it best that we start this annual meeting—between the President and the Foreign Correspondents' Association of the Philippines—with this observation, so that we can quickly finish with the explanations of things unsaid—and move on to more urgent and present matters concerning the business of the nation.

To start off, I have never said that I intend to run for a second term in the presidency—but rather the exact opposite. Some politicians seem to know better what lies ahead of me. If so, you must ask them how they have succeeded in divining the future.

I have not sponsored any movement for amending the Constitution that would enable me to run for another term. Some groups apparently have ideas of this kind. If so, you just ask them their reasons why they are pressing this initiative—and while you are at it, ask them also if I have in any way asked or encouraged them to do so.

This is a false issue that serves no one other than some politicians who hope to land in the media by harping on it, as one of your own in the Foreign Correspondents' Association once observed: "Politicians give the game away when they talk of 'issues,' not 'problems,' Problems are solved; issues are merely what politicians use to divide the citizenry and advance themselves."

Leaving the world of political issues aside, therefore, I want to focus here on some problems and tasks in the real world that require the undivided attention of our leaders and our people today.

**The situation in Mindanao**

First, I believe I owe you a briefing on the situation in Mindanao—forty-five days to the time when our Government and the Moro National Liberation Front (MNLF) officially signed the final peace agreement ending 27 years of secessionist conflict in the Philippine South.

I can report to you today that the peace is holding. The arrangements called for by the agreement are under way, and we are conciliating with the other groups that did not sign the agreement.

Several unconnected violent incidents have occurred since the agreement was sealed. Some have to do with clashes between non-MNLF rebel bands and the military over the old problem of the Mal-Mar Dam project in Central Mindanao. Others involve small-scale explosions in Zamboanga City by groups protesting the signing of the agreement. None of these have dented, much less shattered, the peace in Mindanao. On the whole, the full cessation of hostilities between the MNLF and the Government is now fact. And beyond that peace, we have begun to build the structures of an enduring peace, and for the full development of the region.

### **Clock of change running**

On September 9 this year, Professor Nur Misuari was elected Governor of the Autonomous Region in Muslim Mindanao, running unopposed as the common candidate of both the Administration party and Muslim communities. He has taken his oath of office and he is now fully functioning as Governor of the Autonomous Region.

On October 2, following consultations with members of the Legislative-Executive Development Advisory Council, I signed Executive Order 317 which formally creates the Southern Philippines Zone of Peace and Development the Southern Philippines Council for Peace and Development, and the consultative assembly.

Preparations for the organization of the council and the assembly—along with the appointment of their members—are now being laid.

I am confident that peace and development will stay on track. The vast majority of our people support it. No last-minute tactics can turn back the clock of change.

The establishment of the council—as the first of the two-phase process envisioned by the peace agreement—will provide the vital transition mechanism during the next three years. By 1999, with a truly amended Organic Law for Mindanao's Autonomy, I am confident that all our compatriots in the affected areas will be able to decide for themselves which of their provinces and cities will finally compose the Autonomous Region in Muslim Mindanao.

### **From APEC theory into APEC action**

With respect to those rebel groups that consider themselves outside the peace agreement of September 2, I appointed on October 1 a negotiating panel—headed by retired General Fortunato U. Abat as chairman—for the peace talks with the Southern Philippines Autonomous Groups (SPAG). General Abat replaces retired General and former Ambassador Manuel Yan, who retains his post as Presidential Adviser on the Peace Process, as chairman of the Government-SPAG. Ambassador Abat will take charge of the Government's future peace negotiations with other armed groups in Mindanao such as the Moro Islamic Liberation Front.

On this, I am optimistic that by the time I leave office in 1998, all the conflicts in the South will have been fully resolved by peaceful means—and all groups there will have become part of one concerted effort to develop the South on a sustainable basis.

I turn next to the APEC meeting of economic leaders, which the Philippines will host next month.

All preparations for this important meeting are proceeding on schedule. Preparatory meetings continue to be held in Manila, Cebu and Davao. Systems and venues being readied have either been completed or are near completion.

And all 18 member-economies of APEC have signified their intent to attend—represented by their heads of government or representatives.

Though the honor of being host is a great one, for which we are grateful, we do not see this event as an occasion to strut before the world. We have, however, campaigned intensively among our own people for everyone to appreciate the event and to lend a hand. This fourth summit of leaders represents a crucial moment for APEC—when its agenda

for action will be transformed into a comprehensive action plan for implementation. This will shape what the member-economies will do severally and together—in bringing about the so-called Pacific century.

### **A model of development cooperation**

As chairman of APEC '96, I have advocated a new model of development cooperation that, by the leaders' consensus I hope will be reflected in the 1996 Manila Action Plan for APEC (MAPA '96) that will be agreed to in Subic on November 25.

At the third APEC Leaders' Summit in Osaka one year ago, the APEC leaders agreed that member-economies would pursue economic and technical cooperation so as to attain sustainable growth and equitable development in the Asia-Pacific region, while reducing economic disparities among the APEC economies, improving economic and social well-being, and facilitating the growth of trade and investment in the region.

Yet economic and technical cooperation, if left merely to the ministrations of governments, cannot attain the level of community we all want in the Asia-Pacific. We need to involve as well the other sectors of society.

Thus in Manila and Subic, we hope to give expression in appropriate covenants to the growing consensus for a new model of economic and technical cooperation—one where our peoples will assume a major role in building the APEC community.

In this effort, the work of the APEC Business Advisory Council is vital in bringing the private sector into the mainstream of cooperative action, and so will the work, now beginning, to bring the youth, women, academe and other sectors under the aegis of the APEC program.

In four years APEC has steadily made progress from being, in the words of one minister, “four adjectives in search of a noun” into a more effective forum for regional cooperation. In Manila and Subic we may see its transformation into a real community of nations.

### **Philippine development**

Such a development is of transcendent importance to all our economies—especially to a developing and modernizing economy like the Philippines, and this brings me to the third concern that I would like to touch on today—the state of the Philippine economy as we approach the close of another year.

When I last met with the Foreign Correspondents' Association, the Philippines was gripped by some difficulties that to some raised worries about a reversion to old form. A rice shortage, brought on by natural calamities, had triggered a rise in inflation. And we were caught by public debate over the implementation of the expanded value-added tax.

### **Not just luck but the real thing**

Today, a year later, all the leading economic indicators point to strong and continued growth. I shall not abuse the hospitality of this forum by reciting to you what you no doubt have already reported. It will suffice to say here that:

*First*, GNP and GDP are up to their highest levels in years and we should comfortably hit 6.5 to 7.0 percent GNP growth by year-end;

*Second*, inflation fell to 4.4 percent in September;

*Third*, the Philippine peso has held steady for three years running within a narrow band;

*Fourth*, interest rates are down to 11.5 percent as of September from a high of 12.9 percent in March;



*Fifth*, Philippine exports grew by 19.6 percent in the first semester. At a time when export growth is on a decline in other Asian countries; and,

*Sixth*, the unemployment rate has fallen to 7.7 percent this year—the lowest in years.

The main question that is being asked about our current economic growth is whether it is sustainable—whether this is just a spurt of good luck that may soon be followed by a bust, as was the case with our fleeting moments of growth in past decades.

I submit that you are looking at the real thing this time, because growth is not only being sustained, it is speeding up. And it is being driven by sound fiscal management, by macroeconomic reforms in the economy. By energetic involvement of the private sector, and by investments even in the countryside. In addition, we are making headway in our Social Reform Agenda, which addresses poverty, health, environmental protection and education—all of which immeasurably strengthen the base for development all over the country.

I would be the last to claim that this is just the doing of my Administration. Without the cooperation and support of both houses of Congress, we would not have today the 137 new structural laws in the last four years that collectively underpin our economic turnaround. And without the energetic participation of the private sector and international investors, the engine of growth would sputter and peter out.

### **Between fear and hope**

Looking at the Philippine situation in the strategic sense, we still have a long way to go. As you perhaps have noted, even my economic ministers have shown much restraint in describing our country as a “young bull” or “a cub” in a region of tigers.

There are various reforms still in the legislative pipeline. Major projects have still to come onstream to close the huge infrastructure gap. And who can even forget the crime and peace problems—and the poverty challenge—we still must hurdle?

I submit that we can master the challenges and the problems if we—the Administration, Congress and the people together—concentrate on solving problems, not on exploiting issues.

I see no difficulty in working with the new Senate leadership if we can together approach the problems of national life in a spirit of exchange and cooperation instead of a spirit of enmity and confrontation. For I see no sense in fighting today the electoral battles of tomorrow.

In our quest for modernization and development, we have constantly been confronted by a choice between our fears and our hopes—between pessimism about our national capacities as a nation and optimism about what we can really do to win the future.

### **Choosing peace over war**

Thus we could only make vital and necessary social and economic reform against the determined opposition of those who would preserve the status quo.

Thus against those who prefer dependence on Manila, we will continue to release the energies of our regions and provinces by devolving power and resources to the countryside.

And thus, against the wishes of those who prefer the conflict to continue, we will reinforce the peace in Mindanao and create new hope for its future.

I believe we have made the right decision in choosing hope over fear, reform over the status quo, and peace over war. We are what we are today—a nation back on the road to growth—because of these choices we have made.

*Source:* **Presidential Museum and Library**

**NATIONAL GOVERNMENT PORTAL – EDITED AT THE OFFICE OF THE PRESIDENT OF THE  
PHILIPPINES UNDER COMMONWEALTH ACT NO. 638**

**Speech of President Ramos at a forum on “The 1998 Philippine Presidency”**

**Speech  
of  
His Excellency Fidel V. Ramos  
President of the Philippines  
At a forum on “The 1998 Philippine Presidency”**

[Delivered at the Manila Polo Club, November 19, 1996]

**Leadership  
the 21st century**

**for**

THIS FORUM on Philippine presidential leadership addresses a concern widely shared in our country today. Eighteen months from now we shall be electing our next President—the leader who will lead us into the 21st century.

When you ask a politician, however—even an instant one like myself—to describe the desired qualifications and qualities of our next President, you run the risk of getting only a description of what that particular politician sees in the mirror every morning.

And I am sure such egotistic self-portraiture is not what you in the Philippine Futuristics Society had in mind when you organized this forum.

**The challenge defines the leader**

I believe the qualifications of the President cannot be defined in a vacuum. It is the nature of the problems the next President must face that will define those qualities we should now be looking for among our so-called Presidentiables.

It has always been the nature of the challenge that defines the character of the leader. Historical circumstances establish the environment in which historical figures act.

As Karl Marx wrote in 1852: “Men make their own history, but they do not make it in circumstances they themselves choose. . . .” In this spirit, I shall focus my remarks here on what I believe to be the peculiar set of challenges, problems and circumstances that will face the next Administration.

To undertake such an examination is to examine what one philosopher has called “the shadow that the future casts on the present.”

Tomorrow has the power of shaping what we do today. This is not a case of predicting the future—as fortunetellers and crystal gazers are wont to do. This is rather what you of this Society would call “visioning”—of preparing and laying the foundations of the future—based on the aspirations and hopes we entertain as individuals and as a nation.

We can anticipate, for example, that by the time we mark the Centennial of our national independence in 1998, we Filipinos will be a nation of some 74 million people—with a median age of about 20 years.

We may expect also that, by the turn of the century, the global economy will become even more liberalized and interconnected—and that the Asia-Pacific region will play an even more dynamic role in international affairs.

## **Our labors today are shaping the future**

We may also reasonably expect that, by mid 1998, our country and our people should be in full stride toward modernization—hitting close to 8 percent annual GNP growth; generating about 1.4 million new jobs annually, with opportunity, equity and development much more evenly spread throughout the country.

The broad trends shaping up on the horizon are not difficult to chart, because much of the future is being shaped by our labors today. The challenges, problems and opportunities arise not from impersonal forces, as some believe, but mainly from human action, human ambition, human initiative and human self-interest.

Five years ago, when all we could see was crisis, instability, and decline across the horizon, we had a less sanguine view of the future. Today, it is a different setting altogether.

Once dismissed as the “Sick Man of Asia,” our country today—by dint of reform, resolve and political will—is now hailed the newest Asian tiger cub by *Newsweek*.

Once written off as a failed showcase of democracy in Asia, the Philippines is proving, in the words of this week’s *Economist*, that “growth and democracy can go hand in hand.”

And once labeled as “a damaged culture” doomed always to tread the shallows, our society is showing a great capacity for regeneration and renewal.

## **The crucial task of the next round**

The crucial task of the next round is how to lead a nation which now has more to lose than it did four years ago.

I see four principal challenges looming at the threshold of the 21st century:

*First*, the challenge of continuity and durability of reform; which is also the challenge of building an efficient and effective Philippine State;

*Second*, the challenge of global competitiveness;

*Third*, the challenge of mass poverty; and

*Fourth*, the challenge of democracy.

For a country that has regenerated itself the hard way, the first and most important challenge is how to ensure the durability and continuity of reform.

We cannot blink away the fact that many of our countrymen—and our friends abroad—worry that succeeding leaders could unravel or dismantle the reforms that have been instituted and could bring back the outmoded policies that had retarded our development.

Neither can we ignore the skepticism of those who say that we have merely been lucky so far, and that, at the next turn of the wheel, we shall be on the downside of the boom-bust cycle.

One would think that, given our success through liberalization reforms and market-opening measures, all of us should concede by now the correctness of the path that the Ramos Administration has taken and resolutely continues to take.

## **Waving an outmoded flag**

But in fact—as we see on the eve of the Fourth APEC Leaders’ Summit that the Philippines is hosting—some of our countrymen and women are waving once again the flag of inward-looking nationalism and an obsolescent kind of radicalism.

Others are yielding anew to the populist temptation of providing subsidies and doles that create budgetary deficits, distort prices and drain public funds needed for human-resource development and infrastructure.

And still there are others fighting a rear-guard action to stop our campaign to dismantle monopolies and cartels, and cure the endemic malady of tax evasion and tax fraud.

I see no greater imperative for ensuring our momentum for sustained progress than that the next Administration should provide a strong sense of community and continuity with the policies and reforms that have worked in turning our country around.

This means not only maintaining but also broadening and deepening the reforms we have already enacted into law and begun to carry out. *The truth is that we have barely scratched the surface of reform.*

If our country is to organize the competitive economy that will move it into the mainstream of regional development, then the Philippine State must first free itself from the grip of patronage politics and economic oligarchies. Basically, our task is to complete the transfer of policy instruments that still provide a wide area of discretion in the hands of authorities to the status of self-regulating and self-sustaining economic policies.

This means making the whole of public policymaking transparent and accountable to the Government’s local, national and international constituencies.

The second area of challenge has to do with building up our competitiveness in the global economy. All the signs and all the emerging trends point to competitiveness as the key factor in the creation of the wealth of nations in the coming century

A vital task of tomorrow’s national leaders is how to sustain competitiveness well into the next century—in a world where other economies are certain also to bid for a place of advantage in the global economy. This means principally that *we must make the whole of national society an efficient and effective creator of wealth.*

### **Riding the wave of globalization**

In an era of rapid global movements of human resources, goods, capital, technology and skills, we Filipinos must ride the great wave of globalization to national modernization. The next Administration—no less than the present one—must be committed to the goal of global competitiveness. And we must build our country’s comparative advantage *not* on cheap labor doing repetitive and muscular work *but* on quality skills and innovation.

There can be no ifs and buts about this, despite all the noise being raised by the discredited Left against globalization. As Peter Drucker has observed:

“The one unambiguous lesson of the last 40 years is that increased participation in the world economy has become the key to domestic economic growth and prosperity.”

A turning away from the global economy will be a disaster for the Philippines. If we fail the challenge of competitiveness, our country will be again relegated to the backwaters of the world—and our countrymen and countrywomen in danger of becoming the hewers of wood and drawers of water for more fortunate peoples.

The third challenge has to do with the challenge of poverty. And this is the most difficult struggle—the struggle we cannot afford to lose. The failed policies of the past still affect our people and our society profoundly. While the number of our people who work abroad has declined and many *balikbayan* have decided to return to the Philippines

because of better conditions at home, thousands of others still look for precarious living in foreign lands. Millions of our farmers and agricultural workers—and their families—continue to live hand to mouth.

### **Polygons of growth**

The improvement of the economy has helped to reduce poverty incidence from more than 40 percent of the population to about 35 percent today. And the fact that the economy is now generating about a million jobs a year has already brought down unemployment to about 7 percent as of the middle of this year.

It cannot be doubted that our growth today is touching more and more of our people. Those who say that growth is only benefiting people at the top are dead wrong—because they are not cognizant of the action and interaction taking place in more than 40 growth centers around the country. Low-income groups are also benefiting, as growth spreads across industries and into agriculture—and as development spreads into the countryside, raising ever-expanding polygons of growth in its wake.

But even so, not everyone has been brought into the ambit of growth. We still have a long way to go before we can wipe out Philippine poverty. The vital goal—in essence—is to give ordinary people a stake in our country's development.

We must help the Filipino poor help themselves—so that they can take command of their lives, and create their own freedom. For this reason, I am firm in my conviction that the Social Reform Agenda of this Administration must extend into future administrations. We cannot afford to slacken our efforts in enhancing social equity. We must keep our eyes—our minds— and our hearts—focused on the problem of Philippine poverty.

Finally, I will underscore the supreme importance of our country's continuing development as a democracy—through political and electoral reform.

We have developed a fine tradition of respect for the obligations and the limits of power. But we can hardly be complacent about our democracy simply because we are one of the few Asian countries where democracy is thriving. We still have an uphill climb—before we can become a truly mature democracy.

I see as a major task for Government in the coming years the strengthening of the fabric of law and order, the modernization of the electoral system, and the development of our politics into one that is oriented to problem-solving—and not one that is based on popularity or populism.

As a free society, we are tested on many fronts by those who use terror; commit crime; or take advantage of civil liberties to weaken the defenses of our Republic.

### **The politics of conviction**

In our anxiety to avoid authoritarian excess, we oftentimes abdicate the responsibility to uphold the law. If we are going to fully meet the threats of crime, terrorism and disorder, we must restore the *authority* of the law.

Similarly, our electoral system is in great need of reform and modernization. While our people's high rate of participation in elections is a cause for pride, the system's vulnerability to fraud cries out for reform.

The 1998 elections will be the start of a major modernization effort, which we must continue to pursue until our processes can fully match the systems and capabilities of the world's advanced democracies.

Finally, we must look toward the building of a stable political consensus. To sustain our development momentum, we need a political majority that can define, apply and carry out policies for growth and equity. Today, we are ill-served by a party system based on personalist and opportunistic alliances—a system that does not profess the

politics of conviction. It is remarkable that, in spite of this, we have been able to craft support for the Government's goals and programs in Congress.

Entering the politics of 1998,<sup>1</sup> I believe it time for us to mold a truly cohesive political party system committed to national development—to securing a stable majority and mandate in Congress and the Executive—and to adopting party government as the key to governance in the future.

Political maturity demands that we exchange the politics of personality for the politics of conviction.

### **The recurrence of history**

As a people, what should worry us is not “the end of history”—which Francis Fukuyama has suggested—but “the recurrence of history.” We must ensure that history and all its sorrows do not recur in our country.

Mabini once remarked that the Filipino nation was born in pain. The execution of our heroes—from Fathers Gomez, Burgos and Zamora to Rizal—enabled our people to realize the tragedy of their condition for the first time. Similarly, our economic turnaround has been wrought in crisis and hard ship for the masses of our people.

From the depths of stagnation that we had sunk into, we finally saw the corrosive policies that had brought us down and kept us backward. Feeling the deprivation and the shame, we finally summoned the will to effect reform; and unleash the energies of our people for development. The same may be also said of the peace we have forged in Mindanao.

On the anvil of strife and the long history of separation of our Christian, Muslim and indigenous peoples, we have fashioned a reconciliation that enables us to stand united for the first time at the threshold of true nationhood.

For the first time, we Filipinos—Muslims, *katutubo* and Christians—are truly brothers and sisters. These are precious lessons learned at great cost to our country. I would trust that the next President will jealously nurture this inheritance and guard against the repetition of history. We must never return to the time when we were a nation of tribes and factions—each group marching to its own hollow drumbeat.

Let us now summarize and conclude. The need for a “fit” between the leader and the time is a recurring motif in history—because leaders for all seasons are all too rare.

Winston Churchill was perhaps the greatest of wartime leaders. Yet, once peace was restored, he seemed out of step with his own countrymen. In the once colonized countries, we have seen the same theme played again and again. The leaders who led the successful wars for independence often proved less than able in the struggle for modernization. And it fell on others to lead the way to progress. In 1998 we Filipinos need to find a good match between the leader who would lead us and the times dawning on our country.

### **Building on what we have achieved**

I am of course biased for a leadership in 1998 that will achieve the broadening and deepening of the gains of my own Presidency. Where others may look for a fresh start, I see the imperative to consolidate and build on what we have achieved so far—for there is no advantage in going back to square one.

Where others may counsel a change of policy, I advocate defense of what we have gained and the further strengthening of our competitiveness. But it is not out of vanity that I advocate the continuity of public policy. We have taken great strides as a nation under our reforms and our leadership—and it would be foolish for us to change course. We have also won political credibility—here at home and abroad—because of what we have done these past four years.

It is now well recognized that political credibility is a major factor in the economic development of nations. Leaders—I submit—solve problems; they don't exploit them. They define issues; they do not worsen them.

The politician who cries put loudly that unemployment is deplorable, or that graft and corruption are bad, is telling us nothing; and he or she are just pied pipers and will hardly inspire confidence among our people and our friends abroad.

Effective leadership—leadership that unites for action—is the vital key for the Philippines in the 21st century. And it is “the thoughtful, imaginative and effective use of power that separates leaders *from* officials who are merely in authority.”

If we Filipinos choose badly, we may wind up repeating history. But if we Filipinos choose wisely, we can win the future.

*Source: Presidential Museum and Library*

Ramos, F. V. (1997). *Leadership for the 21st century : our labors today will shape our country's future*. [Manila] : Friends of Steady Eddie.



**NATIONAL GOVERNMENT PORTAL – EDITED AT THE OFFICE OF THE PRESIDENT OF THE PHILIPPINES UNDER COMMONWEALTH ACT NO. 638**

**Speech of President Ramos at the Asia-Pacific Economic Cooperation Business Forum plenary session**

**Speech  
of  
His Excellency Fidel V. Ramos  
President of the Philippines  
At the APEC Business Forum plenary session**

[Delivered at Shangri-La Hotel, Makati City, November 22, 1996]

**Business in the  
creation of a new world**

AS ONE who has traveled the world in search of potential investors; as one who has been calling for deeper private business participation in the decision-making processes of the Asia-Pacific Economic Cooperation (APEC), what makes my day today is the sight in this convention hall of a sea of CEO faces. In a more poetic way, what made the English poet William Wordsworth's day was, seeing across the street, a "host of golden daffodils."

I am delighted to see you all.

Welcome to the Philippines—and welcome to APEC!

**Translating vision into reality**

We meet here at a moment of opportunity and challenge for our Asia-Pacific region—a great moment when, as you say in business, vision can be translated into reality through action.

For myself and my fellow leaders of APEC, this is the moment when we move from talk to action. By adopting the 1996 Manila Action Plan for APEC (MAPA 96) we shall commit our 18 member-countries to specific, detailed, individual—and collective—plans to begin carrying out trade and investment liberalization beginning January 1st of next year.

These plans will be comprehensive and progressive. And they will be refined and augmented each year.

Through APEC, our 18 member-countries also expect to contribute substantially to the first Ministerial Conference of the WTO—the new World Trade Organization—in Singapore next month. We will reaffirm APEC's commitment to the global multilateral trading system; and we will strengthen our region's ability to *catalyze* global trade liberalization.

And we will be discussing new ways of enriching our economic and technical cooperation to meet global challenges of the future. There is a wealth of economic expertise and technical knowledge in our region— and we have only begun to explore the possibilities for sharing that know-how in a way that redounds to the collective growth of one and all.

APEC today stands at the frontier of developing new models for economic cooperation that will reshape the world in the 21st century.

**The role of ABAC and ABF**

To this historic undertaking, this first—and surely not the last—APEC Business Forum convenes as a parallel summit. (Our friends in the media would probably bill it as a “curtain raiser.”)

But however we describe it, the objective of this Forum, I believe, is crystal-clear. It is to locate business in its rightful place within the region—and that place is shoulder to shoulder with our peoples and governments in the pursuit of the vision we all share of the Asia-Pacific community.

The claim of business to such a place of eminence is rooted not so much in aspiration as in everyday reality. For in a vital way, the Asia-Pacific region is really a creation of business.

Before there was APEC, it was business—in the course of doing business—which linked our various economies into what everyone now calls a region.

And it was businessmen of the region—trading with one another and investing in each other’s enterprises—who produced and sustained the economic boom that APEC has now been established to promote.

This year marks an important advance for business participation in the APEC process. This participation began with the organization of the APEC Business Advisory Council (ABAC)—and it will continue in the meeting between the business community and the APEC leaders a few days from now.

At that meeting we, the leaders, will receive what one of you has felicitously described as “your practical and result-oriented recommendations.”

ABAC is the mechanism for channeling business-sector views into the APEC process. This Forum—the ABF—broadens our efforts to integrate the business community into APEC.

This broadening takes many forms. For some, it is an introduction to APEC. For others it is an opportunity for networking. Many look on this as a partnering event—and some of you may end up actually doing business together.

Today, I ask you to raise your sights—*beyond* the goal of just making APEC more relevant to business—to that of making business more relevant to APEC.

I ask you to consider the great and necessary task of building an Asia-Pacific Community and the role you should play in it.

### **A new culture for solving problems**

As APEC chairman for 1996, I have thought long and hard about APEC—and about what is required to sustain it in the long run. And I am convinced that liberalizing and facilitating trade and investment alone cannot do it—however important trade and investment may be in sustaining the vigor of the Asia-Pacific region.

I think we should ask ourselves:

Beyond the economic interdependence that free and open trade and investment foster, what can hold together and move a region so geographically dispersed and so diverse culturally, politically and economically as our region?

The crafting of the correct answer is urgent—especially since integration may result in short-term dislocations, and in marginalizing some segments of national societies; and since, on the long road to free and open trade and investment, we cannot rely on a natural or automatic agreement to materialize between regional goals and the individual interests of national economies.

We need to develop a *culture* for solving problems together—out of a deep sense of obligation to build a community of APEC economies. I use the word “culture”, advisedly—to distinguish it from formal, legalistic structures based on contractual obligations.

### **Fostering the culture of consultation**

The multilateral institutions erected in the postwar era—the United Nations, the IMF, the World Bank and GATT—were all founded on such formal structures. And these global institutions were replicated in regional structures established to promote regional economic cooperation or regional economic integration—producing mixed results.

The European Community of developed and homogenous economies was successful. But the Latin-American free-trade association, the Council for Mutual Economic Assistance, the European Defense Community and some others were not so favored.

On the North American Free-Trade Agreement or NAFTA, the jury is still out: or so it seems. ASEAN—next to the European Community—is one of the few regional groupings that have enjoyed a measure of success.

We of ASEAN have no doubt that ASEAN’s viability and endurance are owed to its avoidance of legalistic, multilateral structures—in favor of cultivating the culture of consultation and consensus among its members. It is through these expanding habits of solidarity and teamwork that we are building a sense of community in the politically, culturally and economically diverse subregion of Southeast Asia.

I am convinced we should begin to do the same in AFEC. And fortunately we have the means at hand to do so. This is the instrument of economic and technical cooperation.

In Osaka last year, the APEC leaders identified the three pillars on which they wanted to build the APEC community. These pillars are (1) trade and investment liberalization; (2) trade and investment facilitation; and (3) economic and technical cooperation.

The Osaka Agenda stated the goals of economic and technical cooperation or ecotech, thus:

“APEC economies will pursue economic and technical cooperation in order to attain sustainable growth and equitable development in the Asia-Pacific region, while reducing economic disparities among APEC economies and improving economic and social well-being. Such efforts will facilitate the growth of trade and investment in the region.”

### **Opening a new frontier**

Here in Manila—in part through a ministerial declaration that will come out today—economic and technical cooperation will be given clearer direction, sharper focus and firmer private-sector orientation.

Economic and technical cooperation, as a consequence, will focus on the following priority areas:

- Develop human capital;
- Enhance efficiency and stability of capital markets;
- Strengthen economic infrastructure and harness technologies of the future;
- Safeguard the quality of life through environmentally sound growth; and
- Strengthen the dynamics of small and medium enterprises.

The key role of the private sector in economic and technical cooperation will be emphasized and encouraged.

Some may think all this talk about an Asia-Pacific community is quixotic—and not fit for discussion among hardnosed businessmen.

But I say this enterprise is in every way integral to the pursuits and interests of business—if we look on it as the opening of a new frontier and a new route to the future.

Just as in the age of exploration the opening of new worlds brought out the vitality of men of industry and commerce, so in this undertaking your imagination and your enterprise will provide the energy to make things happen.

### **A new model of cooperation**

In substance, I believe we must strive within the Asia-Pacific community to build a new model of cooperation for development and shared prosperity.

The traditional model relied on the transfer of resources from the rich to the poor as the essential transaction in development cooperation. The new model's preferred mode of cooperation is the sharing of information, knowledge, experience and expertise.

The old model relied on governments to assume the central role in development cooperation. The new model would encourage initiative and participation from the private sector.

The old model relied on flows of aid from the donor to the donee. In the new model, everyone contributes in accordance with one's capabilities. Priorities are jointly set. And there are no "junior partners"—only "equal partners."

All our efforts—our declarations, our action plans, our commitments to free and open trade and investment—all of these are tied to a vision of shared economic prosperity. The true importance of APEC lies in its unparalleled potential to stimulate new economic opportunities throughout our region.

And I am not just talking only about the big players—the CEOs—who are here for the APEC Business Forum—though clearly trade and investment liberalization will bring about major benefits for the large corporations and multinationals represented here.

I am also talking about the small entrepreneur in Java who will benefit from our joint efforts in APEC to stimulate training opportunities and the sharing of expertise in the small and medium enterprise sector.

I am talking about the high-school graduate in Port Moresby who will compete for a manufacturing job created by virtue of APEC's efforts to create incentives for additional cross-border investment flows.

I am talking about the Mindanao farmer whose ability to get his crops to market will be enhanced by the new roads that will be built—thanks to the strong cooperation between the public and the private sector on infrastructure development that is being promoted through APEC.

At the most basic level, the APEC vision is about improving people's lives. We who live in free-market societies know that growth, prosperity and human development and fulfillment are created by the exertions of men and institutions that are free to invent and create—in a word, by economies driven by the energy and enterprise of the private sector.

### **Regionism as our common cause**

In the global economy of our time, our business communities, no less than our governments, need a common vision to bring them together and enable them to achieve goals together.

If we do not take up “regionism” as our collective cause—if we do not recognize a higher purpose beyond our immediate corporate and special interests,—then we will be bogged down by endless quarrels over details, turf and concessions.

Yet our experience in recent years overwhelmingly points us toward a growing sense of community. Our business sectors, long before our governments, have been forging partnerships and alliances that have enabled them to grow.

And our nations have followed—molding practical ways of cooperation and accommodation in order to move forward.

The Asia-Pacific region—rich in its diversity of people and cultures, and blessed with an abundance of natural resources and human capital—stands on the threshold of a kind of community it has not known in all of history.

In great and myriad ways—within this final decade of the 20th century—we have been discovering together what is common within our diversity; what is simple behind the complexities, and what is enduring behind the tides of change.

APEC takes this process of convergence to a new and higher plane of partnership.

The challenge to you then is for business to take on its rightful role in bringing the Asia-Pacific its full maturation to community I am confident you will march ahead of all—in the frontlines, as always—in the creation of this new Asia-Pacific community.

*Source:* **Presidential Museum and Library**

Ramos, F. V. (1997). *Leadership for the 21st century : our labors today will shape our country's future*. [Manila] : Friends of Steady Eddie.

**Speech of President Ramos at the opening of the Asia-Pacific Economic Cooperation (APEC) Ministerial Meeting**

**Speech  
of  
His Excellency Fidel V. Ramos  
President of the Philippines  
At the opening of the APEC Ministerial Meeting**

[Delivered at the Philippine International Convention Center, November 22, 1996]

**Enhancing  
culture of cooperation**

**a**

A FEW DAYS from now, the Philippine economy's chairmanship of APEC will come to an end. I am not at all sure whether it is relief or regret that I feel when I contemplate this.

But I am certain the year has been a long and productive one; and I thank you all sincerely—for cooperation fully and freely given; and hard work rendered without complaint, in pursuit of our shared vision.

This year we set three distinctive tasks for ourselves. Carrying them out has distinguished our efforts in 1996 from those of previous years; and achieving them has moved us closer toward the Asia-Pacific community we envision our 18 economies to be.

**Carrying out the Manila action plan for APEC**

The first task we set out to do was to prepare the ground for carrying out our agenda of free and open trade and investment in the Asia-Pacific.

At Osaka last November we completed the commitment-making phase—of setting our vision, goals and agenda. And now we move into the action phase—of carrying out our individual and collective initiatives.

Presented as the 1996 Manila Action Plan for APEC, or MAPA 96 for short, these initiatives are now before you—for you to endorse to the Economic Leaders' Summit.

MAPA 96 outlines—over the immediate, the medium and the long term—the liberalization and facilitation measures of trade and investment that our economies undertook to achieve at Bogor two Novembers ago—goals of free and open trade and investment in the region by 2010-2020.

MAPA 96 is, of course, not the last word on our individual and collective action plans.

Nor is it meant to be.

Through a continuous process of consultation, review and revision—starting next year in Vancouver—we shall be revising, improving and expanding our action plans. With respect to individual action plans, we will be seeking improvement specifically in their comparability and comprehensiveness.

**Proving we can attain our goals**

Much remains to be done. But through MAPA this year we begin a process of continuous and progressive trade and investment liberalization and facilitation—a process starting in January 1997 that will continue into the next century—until the Bogor goals of free and open trade and investment are fully achieved.

APEC has a long way to go. The challenge before us in Manila is to prove—on the evidence of measures actually carried out— that APEC's goals will indeed be attained.

The object of our exercise is to convince skeptical transnational businesspeople that the free and open trade and investment APEC says it will achieve shall be achieved—because free and open trade and investment have already begun in APEC—they are already happening—and businesspeople can count on them to continue.

The second task we set out to do this year was to strengthen economic and technical cooperation.

Let me repeat what I have said on this subject on another occasion—because I believe it bears repetition.

Nothing concentrates one's mind so wonderfully on APEC as taking one's turn as its chairman.

For nearly a year now, APEC has been very much on my mind. Mostly, I have thought about what is required to sustain APEC over the long run.

And I am convinced that liberalizing and facilitating trade and investment alone cannot do it—however important trade and investment may be in sustaining the vigor and growth of this region. The Asia-Pacific region is so dispersed geographically and so diverse economically, politically, and culturally, that we must ask ourselves:

### **What can hold our region together?**

Beyond the economic interdependence that free and open trade and investment foster, what can truly hold together such a pluralist region?

And when we consider that economic discord, short-term dislocations and the marginalization of some sectors of national society are problems that economic integration does not redress but tends rather to worsen, we must ask again:

What is the glue that will hold our region together?

Or to put in terms that political leaders and government officials are familiar with: How do we broaden the APEC constituency, so that APEC can be sustained over the long haul?

The short answer to all these questions is that we must develop a culture for solving problems together. We must build a community of APEC economies; and we must use the instrument of economic and technical cooperation to develop and strengthen such a culture.

This culture of cooperation will give flesh and blood to our abstract concept of an Asia-Pacific community. It will be our collective acknowledgment of our common interests and our moral purpose—interests and purpose we share despite the obvious presence of conflicting practical interests and perceptions among our countries.

This is why I consider it a signal task this year that we are strengthening economic and technical cooperation.

Here in the Philippines—in part through a Declaration now before you for your endorsement—we will gear economic and technical cooperation specifically to remove structural impediments that prevent national economies from sustaining growth and from contributing to—or benefiting from—the regionwide liberalization of trade and investment.

We will focus our activities in economic and technical cooperation on the following critical areas—all of which are aimed at removing structural impediments in national economies:

- Develop human capital;
- Enhance the efficiency and stability of capital markets;
- Strengthen economic infrastructure;
- Harness technologies of the future;
- Safeguard the quality of life through environmentally sound growth; and
- Strengthen the dynamics of small and medium enterprises.

Finally, we will emphasize the key role of the private sector in economic and technical cooperation. We will encourage Asia-Pacific businesspeople to initiate activities in economic and technical cooperation.

### **A new model of cooperation**

In a word, we are fashioning a new model of cooperation:

- A model of cooperation that relies on sharing information, knowledge, experience and expertise, rather than on merely transferring resources from the rich to the poor;
- A model of cooperation that encourages initiative and participation from the private sector, rather than relying on governments always to assume the central role; and finally,
- A model of cooperation where everyone contributes according to one's capabilities; where priorities are jointly set; and where there are no "junior partners" but only "equal partners."

The third task we set out to do this year is to engage the private sector as a full partner in the APEC process.

I said it to APEC businessmen this morning—and I say it to our APEC ministers now:

The Asia-Pacific is really a creation of business. Before APEC came to be, it was business—in the course of doing business—which linked our countries together. And it was businesspeople of the region—trading with one another and investing in one another's businesses more and more over the years—who generated and sustained the economic boom that APEC was subsequently established to foster.

### **Building the Asia-Pacific community**

When all is said and done, it is clear that the whole object of APEC's plans is to make it possible for Asia-Pacific businessmen to continue doing what comes naturally to them.

Greater participation of business in the APEC process would make our official trade and investment agenda more relevant to the needs, wants and hopes of Asia-Pacific businesspeople.

This is why the APEC Business Advisory Council was organized and convened this year—at the request of the APEC leaders. We have received its inaugural report—containing recommendations that will be discussed in an unprecedented face-to-face dialogue between business leaders and APEC leaders. At my initiative, the APEC Business Forum was organized to broaden business-sector participation in APEC. So far it has attracted more than 500 CEOs and other business executives from around the region.

We have also provided for business participation in Part 2 of the Osaka Agenda—which, as you know, is economic and technical cooperation.

You might say our effort is less and less to make APEC relevant to business and more and more to make business relevant to APEC. We are inviting business—the creator of the Asia-Pacific—to join us in building the Asia-Pacific community. And I look forward to the early development of a framework plan for business participation in Asia-Pacific economic and technical cooperation.



### **In the long view of history**

Now to sum up: I have indicated the nature of three tasks that we have carried out this year. There are other tasks—each important in its own way—that I have omitted from my enumeration.

I do not mean thereby to reduce their importance. I have dwelt only on the tasks that I believe distinguish our labors this year from those of previous years.

It would be an added grace if—in the long view of history— these three tasks in 1996 are considered to have been completed with distinction and will serve to move forward the APEC process to APEC community and win a higher quality of life for our peoples in the 21st century.

*Source:* **Presidential Museum and Library**

Ramos, F. V. (1997). *Leadership for the 21st century : our labors today will shape our country's future*. [Manila] : Friends of Steady Eddie.

**NATIONAL GOVERNMENT PORTAL – EDITED AT THE OFFICE OF THE PRESIDENT OF THE PHILIPPINES UNDER COMMONWEALTH ACT NO. 638**

**Speech of President Fidel Ramos at the dinner hosted by the Asia-Pacific Economic Cooperation (APEC) Leaders' Meeting Chairman**

**Speech  
of  
His Excellency Fidel V. Ramos  
President of the Philippines  
At the dinner hosted by the Asia-Pacific Economic Cooperation (APEC) Leaders' Meeting Chairman**

[Held at the Philippine International Convention Center, November 24, 1996]

**A vision of community**

APEC is a moving constellation of meetings rotating around the capitals of its member-countries. Not until after a full generation will it return to us in the Philippines.

As a good but anxious host let me express the hope that this country's first attempt at hosting the APEC Economic Leaders' Meeting will prove not altogether displeasing to our honored guests—the leaders themselves, together with their ministers; the members of the APEC Business Advisory Council; the participants in the APEC Business Forum; and the ladies.

And let me welcome especially those economic leaders attending the Leaders' Meeting for the first time; and those old friends returning to us with renewed mandates from their national constituencies.

**We have long been preparing for this event**

Some of my domestic critics say the Philippine Government has taken a year too long to prepare for this event.

That is not accurate. We have been preparing for this event for almost five years, or since I first took office in middle 1992, when we began working to restore the national economy to the path of growth.

Over those years, the Philippine economy has come up from close to zero growth to the healthy 7 percent—with 7.5 percent rate as our estimate for this year—which for the first time puts us well within the ballpark of the East Asian APEC economies. In APEC-speak, we have been able to do this through reforms and policies such as that of trade and investment liberalization and facilitation.

**Hope for APEC's future**

We in the Philippines have always attached the greatest importance to what APEC signifies, not only in what this forum has succeeded in gathering under one roof, but in the hope it creates for the future of the Asia-Pacific region.

Four years ago—when we first gathered at Blake Island with President Clinton as our gracious host—we laid the vision of an Asia-Pacific community.

In the two succeeding summits—at Bogor and Osaka— we have carried on the work of translating that shared vision into reality.

And now here in Manila, our economies will present individually—and work out collectively—action plans for giving flesh and blood to our abstract vision of an Asia-Pacific community.

We are just beginning our discussions as leaders. But I am sure you share my confidence that our meeting in Manila will be fruitful indeed.

And thinking now of the impatient and hopeful peoples we represent, I know we will take the decisions that will fortify their inner desire for greater community—for forging peace and prosperity within this region we inhabit together.

It is perhaps not irrelevant to recall tonight that signal moment—475 years ago—when Ferdinand Magellan crossed the Pacific Ocean from the Americas and, after a long and hazardous voyage, touched land in the Philippines.

Magellan's epochal landfall brought the shores of the Pacific together—and completed the map of the modern world.

I shall not venture even to compare our own APEC enterprise with that landmark voyage which changed humankind's entire concept of the world.

But surely we together can say that, through APEC:

- We are seeding great changes in our region;
- We are helping to build a better world;
- We are raising the quality of life for our peoples; and
- We too are beginning to make a difference in the way humankind will regard the future world.

*Source:* **Presidential Museum and Library**

Ramos, F. V. (1997). *Leadership for the 21st century : our labors today will shape our country's future*. [Manila] : Friends of Steady Eddie.

**NATIONAL GOVERNMENT PORTAL – EDITED AT THE OFFICE OF THE PRESIDENT OF THE  
PHILIPPINES UNDER COMMONWEALTH ACT NO. 638**

**Speech of President Ramos at the Asia-Pacific Economic Cooperation (APEC) Ecumenical Prayer Meeting**

**Speech  
of  
His Excellency Fidel V. Ramos  
President of the Philippines  
At the APEC Ecumenical Prayer Meeting**

[Delivered in Malacañang, November 24, 1996]

**Our strongest anchor**

ON IMPORTANT occasions, it has been a proud tradition of the Office of the President to host an ecumenical service as a way of invoking divine guidance and blessings upon the nation. The historic summit of the Asia-Pacific economies, which in 1996 is chaired and hosted by the Philippines, is of great significance to our people.

Prayer, after all, not only prepares us for the tasks ahead but assures us of our strongest anchor as we perform the manifold and complex responsibilities of fashioning a program of governance that addresses the critical needs of our time.

The Philippines, like most nations of East Asia, is a country of deeply religious people. In fact, among the most phenomenal developments in the contemporary Philippine setting is the persistent proliferation of religious voices representing a wide variety of beliefs and traditions.

**A profoundly ecumenical character**

Such religious voices have now established ministries of almost every kind, seeking moral and spiritual renewal in all aspects of Philippine life, especially in the areas of social justice, economic sufficiency and political governance.

It is therefore no accident that the gathering of APECs national and business leaders has a profoundly ecumenical character. We believe that prayer is at the heart of all religious faiths—the common ritual of all who believe in the redemptive influence of faithful and mutual support.

Ours today is one fortuitous occasion where religion and politics meet. At a time when nations and peoples of one Asia-Pacific community are seeking ways that guarantee a just sharing in the bounties of nature and the wealth of the world, there is a natural need on our part to solicit the guidance and inspiration of the Almighty.

At a time when parts of the world remain in disarray and the human senses are filled with foreboding, we would do well to remember that God is only a prayer away.

**The shape of the future**

Sometime ago a prominent preacher remarked that our view of life today differs from that of our forebears in at least one aspect.

We who live in an age of advanced technology and amazing breakthroughs in science think of ourselves as the arbiters and umpires of life, passing intellectual and moral judgment on it. We see ourselves as the judges who decide the flow of history and the shape of the future.

Our ancestors, however, saw themselves standing in the presence of an Eternal Arbiter who judged them.

This garnering is a timely reminder to those of us who may be burdened by anxiety over the mounting challenges of disorder, conflict and insufficiency, a reminder that prayers and religious rituals, however imperfect, can be a great source of hope and power.

Somehow the world community must also take time out for a moment of spiritual communion if we are to rise above the difficult conditions of our time.

This was the spirit of that famous passage in the Gospel of Matthew (4:4): “No one lives by bread alone, but by every word that proceeds from the mouth of God.”

The world today faces problems of enormous magnitude on all fronts, and such problems are likely to be around long enough to inflict more suffering and pain on the lives of many.

This explains the conscientious efforts of world leaders to forge the best possible cooperation among nations that would respond to the urgent demands of the most afflicted and, at the same time, shape a global social and economic order that guarantees the liberation of the destitute from dependence upon and exploitation by the strong.

Somehow, in the busy exchanges of everyday life, we must have the humility to pause and meditate upon the sacred mysteries of our faith, for they are the foundations of which our search for justice, prosperity and peace must be built.

Without these spiritual foundations, our resolve and best efforts would be wanting in depth and dignity.

The Psalmist of the Old Testament says it quite aptly: “Be still, and know that I am God. I am exalted among the nations. I am exalted in the Earth” (46:10).

But more than just observing the act of stillness, the Psalmist prompts us to the recognition that while it is within our calling to champion a justifiable blueprint of an ideal world, all such quests must end at the feet of Him in whose power alone the future become a brighter reality.

### **Communing with God through prayer**

Every occasion of human life is a call to prayer whether it be a time of joy or of sorrow, of defeat or victory. It is only in prayer where we are able to establish communion with God, and only in that God-human communion can true miracles happen.

Prayer, after all, is not a mere human invention but among the central teachings of God himself.

It is significant that what we now call “The Lord’s Prayer” ends with our recognition of God’s ultimate majesty: “For thine is the kingdom, the power and the glory forever.” To confess that the “Kingdom, the power and the glory” belong solely to God is to place our confidence in a God who holds the world in the palm of His hand.

While the presidency is hailed as the highest office of the land, there is a higher and more sovereign authority before whom the entire world bows.

Recognizing that higher sovereign authority, I wish to extend my hands of welcome to all of you with a prayer that, somehow, God may grace our summit and this fellowship with his most assuring and abiding presence and blessings.

*Source: Presidential Museum and Library*

Ramos, F. V. (1997). *Leadership for the 21st century : our labors today will shape our country's future*. [Manila] : Friends of Steady Eddie.

**Speech of President Ramos at the Roundtable Conference organized by the Konrad Adenauer Foundation  
and the Institute for Strategic and Development Studies, December 1, 1996 Speech  
of**

**His Excellency Fidel V. Ramos**

**President of the Philippines**

**At the Roundtable Conference organized by the Konrad Adenauer Foundation and the Institute for Strategic  
and Development Studies**

*[Delivered in Manila, December 1, 1996]*

**Building the structure of  
Southeast Asian security**

THIS ROUNDTABLE ON ASEAN security convened only a week after the Fourth APEC Summit in Manila—and only two days after this year’s informal meeting among ASEAN’s heads of government in Jakarta—is a timely exercise.

In our world today, economics and security are like two rivers—intersecting and flowing into one another.

At the APEC summit, we dealt with economic challenges and opportunities in the Asia-Pacific. But, as you obviously noted, we stressed in our concluding Declaration the crucial role that “an environment of stability and security” plays in our effort to attain APEC’s goals.

By the same token, recent security forums have acknowledged the role economic growth plays in enhancing regional stability and security. Already development has reduced regional tensions, brought our countries together despite their sometimes conflicting ideologies, and intensified their search for cooperation on security issues.

To say this is not to suggest that the economic growth being experienced by many countries in Southeast Asia has removed security concerns from the regional agenda. It means merely that we are today learning to approach these issues in a different light.

As we in ASEAN have lately been saying, security in our time is achieved “with others—not against others.”

This idea that security is best attained cooperatively enables us to see through the complexities of the issues facing us.

The gravest of these issues are disputes over territories and borders, and the anxieties raised by the recession of the superpowers amid the growing military power of some countries, including their development of nuclear weapons. And then there are “unconventional” security problems arising from illegal migration, smuggling, piracy, terrorism and drug trafficking.

**Security with and not against others**

In analyzing the security challenges facing regions, experts use the term “architecture” to describe the processes and systems that must be designed and built. A process that would result in greater security for an entire region is not just a set of desired goals. It must be a veritable structure in itself—consisting of many building blocks and elements.

Because regional security involves diverse nations, the effort is never simple. It evolves from the convergence of many efforts—on many fronts and many tracks. Such a security strategy should closely parallel the region’s experience in economic cooperation. In both APEC and ASEAN, the outcomes we see today result from years of patient and painstaking construction.

Building for regional security requires the same patient, sustained and diversified effort. For this roundtable, I would venture as a starting point the course and progress of the ASEAN dialogue on regional security. It was in 1991 that ASEAN began this initiative—by deciding that its Postministerial Conference, until then restricted to economic issues—should be enlarged to cover security questions as well.

That simple step began a discussion of security issues not only among ASEAN member states but also between ASEAN and its dialogue partners—the United States, the European Union, Canada, Japan, Australia, New Zealand and South Korea—and then with Russia, China, Vietnam and North Korea.

After confidence-building meetings in 1992 and 1993 (which took the form of a series of bilateral conversations), all the parties in the Postministerial Conference agreed to create an ASEAN Regional Forum (ARF) on security issues, beginning in 1994. The remarkable correspondence between the participants in ARF and the membership of APEC underscores what I have always believed—that APEC and ARF complement each other perfectly.

### **Peace among ourselves**

If APEC is to realize its potentials, our countries must first of all keep the peace among ourselves. Any explosion of violence—in any part of the Asia-Pacific—will burst the bubble of stability that keeps its economic miracle going. Alternatively, even if the military balance holds, it will be easy for unrestrained economic competition to degenerate into “beggar-my-neighbor” policies—for greed and speculation to ruin our interconnected markets.

At the Jakarta Summit, the ASEAN heads of government instructed our ministers to work out the modalities of the ASEAN Foundation and the ASEAN Social Fund to finance the cooperative projects of ASEAN in human and social development. The Philippines has been a leading proponent of both these projects.

We also asked our ministers to speed up their review of the protocol to the Southeast Asia Nuclear Weapons-Free Zone Treaty—which we had signed in Bangkok last December—so as to expedite the accession of the nuclear powers to the protocol.

In Jakarta, I brought up the problem of the rapid increase in the number of nuclear power plants in our part of the world, and the need to deal with the problems of nuclear-plant safety and the safe disposal of nuclear waste—perhaps through an Asian counterpart of the European Atomic Energy Community (EURATOM), which I had proposed in Tokyo last May.

The overriding challenge before us today is to make all our countries both richer and safer. This conference focuses on security and order in ASEAN, but we must also keep in mind the wider sphere of the Asia-Pacific. That regional security is indivisible is in fact suggested by the other half of your topic—which is “The Role of External Powers.”

It is customary to speak of the success of the ASEAN states in their drive for modernization. But not all countries in Southeast Asia have made that transition. Some are still struggling to restore their economies to the path of growth—or even to recover fully from the wounds of conflict. Nor have all our leaders resolved the contradiction between the interdependence needed by the regional economy and the “we-against-the-world” kind of nationalism that some governments see as a necessary binder for their plural societies.

### **Convergence toward a global economy**

But one fact is clear. All our countries are converging toward a single global economy and toward the common dream of economic modernization.

This movement raises the hope that the time will soon come when all Asia-Pacific countries become part of one great zone of peace—when our mutual security will depend no longer on arms and alliances but on peaceful commerce and integration in the Asia-Pacific community. But until that zone is in place, we must brace ourselves for a regional environment that will have its share of tension, difficulties and disputes.



We must pay particular attention to the situation of the developing nations. In a significant way their concept of national security must vary from that of the more mature states. Over much of Southeast Asia—the Philippines included—internal weaknesses in the form of poverty and social inequity still must be overcome.

During the Cold War, these weaknesses—because they breed urban unrest, insurgency and separatism—had been even more dangerous for the Philippines than any outside threat. That is why my Government defines national security in terms of political stability economic development and social cohesion.

### **The regional environment remains unsettled**

And that is why one of the first things my Government did—when it took office in mid-1992—was to offer an honorable peace to our military rebels, communist insurgents and Muslim secessionists. And the settlement we arrived at consists not only of their return to the political mainstream but of specific economic benefits and cultural recognition on the enlarged table of national development.

Only now—with the bipolar superpower balance replaced by an even less-stable configuration of big-power relationships—only now—with our economies growing steadily—only now do we in Southeast Asia have the leisure to think of our security concerns.

The regional environment remains unsettled—because the big powers have yet to make clear their interests and intentions. A balance has yet to be established among the big powers with interests in the Asia-Pacific region.

The lingering enmities in the Korean Peninsula could alter the entire security equation in Northeast Asia. China's intentions in the South China Sea—how a new Russia will evolve from the ideological ruins of the Soviet Union—and how Japan can turn into a truly self-reliant nation in defense matters—these too remain unclear.

### **The role of the middle powers**

But we in ASEAN are betting that economic interdependence and mutual benefit can preempt the rise of old-fashioned political antagonisms. In the Asia-Europe Meeting—ASEM for short—which first convened in Bangkok last March, we have the beginnings of a mechanism for engaging the European Union in East Asia. Gatherings like this conference on ASEAN security nurture this new framework for Asia-Europe cooperation.

From our vantage point, we see the European Union as still largely turned inward. Its trade with ASEAN and its investments in Southeast Asia still are minuscule—compared with their potentials. That is why we welcomed so warmly Chancellor Helmut Kohl in Southeast Asia, who came last month to the Philippines with a large business delegation.

Not only do our fast-growing economies promise new opportunities for profit and growth for Europe's corporations. Europe has technologies in a wide variety of fields that it can share with Southeast Asia for our mutual benefit. Beyond these are cultural values that our two regions could better understand and appreciate from each other—for our long-term economic and security interests.

In the search for regional security there is a major role to be played by the “middle powers” in the Asia-Pacific. The ASEAN states—together with Australia and New Zealand—have shown they need not be passive spectators in the interplay among the great powers in the region.

We have shown that we the powers-in-between can be active players—if not in economic and military might, then in the power of ideas and in the area of moral persuasion. We have proved this by our success in resolving some of the toughest questions in Indochina. And in the ASEAN Regional Forum, we have erected an instrument for security consultation and cooperation. By strengthening our own linkages and pooling our own talents, capabilities and resources, we can have a strong voice in crafting the future of the Asia-Pacific. In every regional council, we can speak for moderation, fair play, sharing and mutual respect.

And cohesive action begins with a recognition of the community of our strategic interests. This recognition that the middle powers must band together is what led Vietnam to join ASEAN. We now expect ASEAN to complete uniting the natural cluster of 10 Southeast Asian countries well before the turn of the century.

### **“ASEAN plus three”**

Our impulse to unification—expressed by the terms “ASEAN plus three” or SEA-10—will be particularly salutary to the future of Southeast Asia. None of our 10 countries can stand up separately to the intense competition of the global economy and the power politics that might yet embroil the Asia-Pacific of the future. United, we can face outside pressures and shape our future according to our collective aspirations. United, SEA-10 can play an even bigger role in world affairs than it does now.

We in ASEAN are encouraged that our basic negotiating principles of consultation and consensus can be effective in fostering greater cooperation among states—be it on matters of economics or security. These principles have already become standard operating procedures for both APEC and the ASEAN Regional Forum.

In deciding to build political trust first—rather than coming to grips immediately with specific disputes—in working patiently incrementally and informally—keeping in mind that the process of reaching an agreement is important in itself—both APEC and the ASEAN Regional Forum have gained a unique flexibility and continuity.

This kind of decision-making may be slow, subtle and indirect but it produces agreements that are unforced, nonconfrontational, virtually self-policing and enduring. Thus through APEC and ARF, we nurture a quiet confidence that the entire Asia-Pacific region can grow toward a true community.

### **People-to-people interaction**

To sum up, I believe that building the structure of ASEAN security will benefit from a strategy that closely parallels what we have done on the economic front—both in ASEAN and in APEC. This architecture of regional security we must build step-by-step—through a succession of confidence-building mechanisms, by piling one small achievement upon another.

As we of ASEAN have widened our collaborative institutions to make political, economic, social and cultural cooperation possible, so must we deal with our problems of security in the same way.

As we have focused on building political trust and people-to-people interaction in our economic and social development programs, so in security must we build trust and harmony.

As we have fostered economic interdependence at a pace comfortable for every member, so in security must we build incrementally—keeping in mind that the process of reaching agreement is important in itself.

*Source:* **Presidential Museum and Library**

**Speech of President Ramos at the Roundtable conference organized by the Konrad Adenauer Foundation and the Institute for Strategic and Development Studies, December 2, 1994**

**Speech  
of  
His Excellency Fidel V. Ramos  
President of the Philippines  
At the Roundtable Conference organized by the Konrad Adenauer Foundation and the Institute for Strategic and Development Studies**

*[Delivered at the Hotel Inter-Continental Manila, Makati City, December 2, 1994]*

**Building the structure  
of ASEAN security**

THIS IS a timely exercise—this roundtable on ASEAN security convened only a week after the Fourth APEC Summit in Manila—and only two days after this year’s informal meeting among ASEAN’s heads of government in Jakarta.

In our world today, economics and security are like two rivers—intersecting and flowing into one another.

At the APEC summit, we dealt with economic challenges and opportunities in the Asia-Pacific. But, as you obviously noted, we stressed in our concluding Declaration the crucial role that “an environment of stability and security” plays in our effort to attain APEC’s goals.

By the same token, recent security forums have acknowledged the role that economic development plays in bringing about regional stability and security.

**Security with others**

As one expert on Asia-Pacific affairs has noted, the emphasis on economics has reduced regional tensions, normalized relations among countries and intensified the search for cooperation on security issues.

To say this is not to suggest that the economic growth being experienced by many countries in Southeast Asia has removed security concerns from the regional agenda. It means merely that we are today learning to approach these issues in a different light.

As we in ASEAN have lately been saying, security in our time is achieved “with others—not against others.”

This idea that security is best attained cooperatively enables us to see through the complexities of the many issues facing us.

The gravest of these are disputes over territories and borders, the growing military power of some countries including nuclear weapons, and anxieties raised by the recession of the superpowers. And then there are “unconventional” security problems arising from illegal migration, smuggling, piracy, terrorism and drug trafficking.

**The architecture of regional security**

In analyzing the security challenges facing regions, experts use the term “architecture” to describe the processes and systems that must be designed and erected. A process that would result in greater security for an entire region is not just a set of desired goals. It must be a veritable structure in itself—consisting of many building blocks and elements.

Because regional security involves diverse nations, the effort is never simple. It evolves from the convergence of many efforts—on many fronts and many tracks. Such a security strategy—it has been suggested—should closely parallel the region’s experience in economic cooperation.

In both APEC and ASEAN, the outcomes we see today result from years of patient and painstaking construction.

Building for regional security requires the same “patient, sustained and diversified effort.” For this roundtable, I would venture as a starting point the course and progress of the ASEAN dialogue on regional security.

It was in 1991 when ASEAN first began this initiative—by deciding that its Postministerial Conference, until then restricted to economic issues—should be enlarged to cover security questions as well.

That simple step began a discussion of security issues not only among ASEAN member states but also between ASEAN and its traditional dialogue partners—the United States, the European Union, Canada, Japan, Australia, New Zealand and South Korea—and then with Russia, China, Vietnam and North Korea.

After confidence-building meetings in 1992 and 1993 (which took the form of a series of bilateral conversations), all the parties in the Postministerial Conference agreed to create an ASEAN Regional Forum (ARF) on security issues, beginning in 1994.

The remarkable correspondence between the participants in ARF and the membership of APEC underscores what I have always believed—that APEC and ARF complement each other perfectly.

### **The bubble of stability**

If APEC is to realize its potentials, our countries must keep first of all the peace among ourselves. Any explosion of violence—in any part of the Asia-Pacific—will burst the bubble of stability that keeps its “economic miracle” going.

Alternatively, even if the military balance holds, it will be easy for unrestrained economic competition to degenerate into “beggar-my-neighbor” policies; for greed and speculation to ruin our interconnected markets.

At the Jakarta Information ASEAN Summit, the heads of government issued instructions to our ministers to work out the modalities of the ASEAN Foundation and ASEAN Social Fund to finance the cooperative projects of ASEAN in human and social development. The Philippines has been a leading proponent of both these projects.

We asked our ministers and officials to hasten the review of the protocol to the Southeast Asia Nuclear Weapons-Free Zone Treaty, which we had signed in Bangkok last December, so as to expedite the accession of the nuclear weapon states to the protocol.

I brought up the problem of the rapid increase in the number of nuclear power plants in our part of the world and the need to address the problems of nuclear-plant safety and the safe disposal of nuclear waste, perhaps through an “Asiatom,” which I had proposed last May in Tokyo as a body to oversee the handling of these serious problems on an organized regional basis.

The overriding challenge before us today is to make all our countries both richer and safer. This conference focuses on security and order in ASEAN, but we must also keep in mind the wider sphere of the Asia-Pacific.

That regional security is indivisible is in fact suggested by the other half of your topic—which is “The Role of External Powers.”

It is customary today to speak of the success of the ASEAN states in their drive for modernization. But not all countries in Southeast Asia have made that transition. Some are still struggling to restore their economies to the path of growth—or even to recover fully from the wounds of conflict.

Nor have all our leaders resolved the contradiction between the interdependence needed by the regional economy and the “we-against-the-world” kind of nationalism that some governments see as a necessary binder for their plural societies.

### **Convergence toward a global economy**

But one fact is clear. All our countries are converging toward a single global economy and toward the common dream of economic modernization.

This tide of convergence raises the hope that the time will soon come—when all Asia-Pacific countries become part of one great zone of peace—when our mutual security will depend no longer on arms and alliances but on peaceful commerce and integration in the Asia-Pacific community for the benefit of all who live there.

But until that zone is in place, we must brace ourselves for a regional environment that will have its share of tension, difficulties and disputes.

We must pay particular attention to the situation of the developing nations. In a significant way, their concept of national security must vary from that of the more mature and more prosperous states.

In much of Southeast Asia—the Philippines included—internal weaknesses in the form of poverty and social inequity still must be overcome.

During the Cold War period, these weaknesses—because they breed urban unrest, insurgency and separatism—had been even more dangerous for the Philippines than any outside threat.

### **Social cohesion as security**

This is why one of the first things my Government did—when it took office in mid-1992—was to offer an honorable peace settlement to our military rebels, communist insurgents and Muslim secessionists, which consists not only of an active role in the political mainstream but of economic benefits and cultural recognition on the enlarged table of national development.

And that is why my Government defines national security in terms of political stability, economic development and social cohesion.

Only now—with the bipolar superpower balance replaced by an even less-stable configuration of big-power relationships—only now—with our economies growing steadily—only now do we in Southeast Asia have the leisure to rethink our security concerns.

The regional environment remains unsettled—because the big powers have yet to clear up their interests and intentions. A balance has yet to be established among the big powers with interests in the Asia-Pacific region.

The lingering enmities in the Korean Peninsula could alter the entire security equation in Northeast Asia.

China’s intentions in the South China Sea—how a new Russia will evolve from the ideological ruins of the Soviet Union—and how Japan can turn into a truly self-reliant nation in defense matters—these too remain unclear.

There is an inherent anomaly and anachronism—similar to the old Allied effort to keep apart the two Germanys—in Japan’s remaining a strategic client of the United States.

This can only fan an unhealthy kind of nationalism in a nation acutely aware of its political uniqueness and economic power—increasing the danger that the bitter disputes over trade between the two countries would spill over into their security relationship.

How China exercises its economic, political and military power must also concern us all—and none more so than we Southeast Asians who are its closest neighbors.

China's rapidly expanding economy will unavoidably generate political and military pressures on the Asia-Pacific—even assuming that Beijing made no effort to build its capability to project power beyond its borders.

### **China and the Asia-Pacific community**

The opposite possibility—of China's economic failure—is, if anything, even more alarming.

The Allies in Western Europe solved a roughly similar problem by integrating postwar Germany into a European Union. So must we endeavor to integrate China into the Asia-Pacific Community—economically through APEC and politically through the ASEAN Regional Forum—if we are to have enduring regional stability.

The most immediate of East Asian anxieties is the widespread fear that the United States will revert to isolationism—which has in fact characterized America's foreign policy throughout much of its history.

But the tilt of its population away from its Atlantic Coast, the influx of Asian migrants and the weight of its Asia-Pacific economic interests have made the United States more and more an Asia-Pacific player. Thus it must regard as a direct threat to its own interests the military domination by a single power in our part of the world.

### **The tyranny of distance**

Since 1898 the United States had located its western strategic frontiers in the Philippines. But now the tyranny of distance—the expanse of the vast Pacific—separates it from the field in East Asia.

For this reason, “forward deployment” must remain the core of its political and security strategy in all of Asia and the Pacific Rim.

Forward deployment will not merely enable the United States to deter an East Asian conflict. It also supports the strategic tradeoff Washington proposes—which is that East Asia embrace the United States as an economic partner—to ensure its continued strong influence in the security environment of the Asia-Pacific.

We of the Philippines have no problems with this proposition—that East Asians prove to Americans that the United States can share in Asia-Pacific prosperity—since we do not regard economic competition as winner take all.

Our view is that a “win-win” outcome can result—with long-term benefits for all. On the issue of prepositioning American materiel, no large ASEAN country has as yet offered forward-basing arrangements to the US.

In my view, this caution arises partly from a lesson remembered from the colonial period. Every Southeast Asian culture has a variant of the Malay proverb, “When elephants fight, the mousedeer between them is killed.”

But it also results from an appreciation of the opportunity that the post-Cold War security environment offers Southeast Asia—to become the nuclear-free “zone of peace, freedom and neutrality” that ASEAN has envisioned from its beginnings.

Under this reasoning, the dismantling of land-based American naval and air forces from Southeast Asia removes a potential provocation to ASEAN's giant neighbor—and invites China to live and let live with its Southeast Asian neighbors.

ASEAN countries are betting that economic interdependence and mutual benefit can preempt the rise of old-fashioned political antagonisms.

In the Asia-Europe Meeting—ASEM for short—which first convened in Bangkok last March, we have the beginnings of a mechanism for engaging the European Union in East Asia.

Gatherings like this conference on ASEAN security nurture this new framework for Asia-Europe cooperation.

From our vantage point, we see the European Union as still largely turned inward. Unfortunately, its trade with ASEAN and its investments in Southeast Asia are minuscule—compared with their potentials.

That is why we welcomed so warmly Chancellor Helmut Kohl in Southeast Asia, who came last month to the Philippines with a large business delegation.

### **A code of conduct in the South China Sea**

Not only do our fast-growing economies promise new opportunities for profit and growth for Europe's corporations. Europe has technologies in a wide variety of fields that it can share with Southeast Asia for our mutual benefit. Beyond these are cultural values that our two regions could better understand and appreciate from each other—for our long-term economic and security interests.

The success of the recent APEC summit and the three-day visit to the Philippines of President Jiang Zemin should help reinforce ASEAN optimism that we will find a solution to the territorial disputes over the South China Sea.

Chinese officials continue to insist on their country's "indisputable sovereignty." But they now declare that their country is ready to approach territorial disputes and conflict over maritime rights and interests on the basis of international law—including UNCLOS, the United Nations Convention on the Law of the Sea—and that the issue could be discussed in China's meetings with ASEAN, consistent with the 1992 Manila ASEAN Declaration.

The search for a solution acceptable to all is enhanced by an agreement between Philippine and Chinese senior officials on a code of conduct in the South China Sea—pledging both sides to resolve territorial disputes without the use or threat of force.

Certainly, the atmosphere is better now than it was in early 1995. And the visit of President Jiang has certainly helped.

### **One-on-one dialogues**

We have suggested that the Chinese consider the value of both bilateral and multilateral talks—with the other claimants and within the ASEAN Regional Forum—seeing that one-on-one dialogues and group discussions support each other in resolving disputes of this sort.

In my view, all this underscores an important principle in building for security and order in Southeast Asia and in the Asia Pacific—that we draw all countries into the network of collaboration by showing what can be gained by working harmoniously with neighbors.

In the search for regional security, there is a major role to be played by the "middle powers" in the Asia-Pacific. The ASEAN states together with Australia and New Zealand have shown they need not be passive spectators—hapless mousedeer—in the interplay among the great powers in the region.

We have shown that we in the “in between” can be active players—if not in economic and military might, then in the power of ideas and in the area of moral persuasion.

We have proved this in bringing to resolution some of the thorny questions in the former Indochinese states. And in the ASEAN Regional Forum, we have erected an instrument for security consultation and cooperation.

By strengthening our own linkages and pooling our own talents, capabilities and resources, we can have a strong voice in crafting the future of the Asia-Pacific.

In every regional council, we can speak for moderation, fair play, information and technology sharing, and mutual respect.

### **Shared strategic interests**

And cohesive action begins with a recognition of the community of our strategic interests.

This recognition that the middle powers must band together is what led Vietnam to join ASEAN. We now expect ASEAN to complete uniting the natural cluster of 10 Southeast Asian countries well before the turn of the century.

Our impulse to unification—expressed by the terms “ASEAN plus three” or SEA-Ten—will be particularly salutary to the future of Southeast Asia. None of our 10 countries can stand up separately to the intense competition of the global economy and the power politics that might yet embroil the Asia-Pacific of the future.

But united, we can face outside pressures and shape our future according to our collective aspirations. United, SEA-Ten can play an even bigger role in world affairs than it does now.

We of ASEAN are encouraged that our fundamental negotiating principles of consultation and consensus can be effective in fostering greater cooperation among states, be it on matters of economics or security. These principles have already become standard operating procedures for both APEC and the ASEAN Regional Forum.

In deciding to build political trust first—rather than coming to grips immediately with specific disputes—in working patiently, incrementally and informally—keeping in mind that the process of reaching an agreement is important in itself—both APEC and the ASEAN Regional Forum have gained a unique flexibility and continuity.

This kind of decision making may be slow, subtle and indirect, but we believe—and we have been vindicated in this belief—that it produces agreements that are unforced, nonconfrontational, virtually self-policing and enduring.

This process we have applied with success in the Philippines setting vis-à-vis insurgents, separatists and military rebels.

Thus through APEC and ARF, we nurture a quiet confidence that the entire Asia-Pacific region can grow toward a true community.

To sum up, I believe that building the structure of ASEAN security will benefit from a strategy that closely parallels what we have done on the economic front—both in ASEAN and in APEC—step-by-step, confidence-measure upon confidence-measure, success upon success.

### **People-to-people interaction**

As we of ASEAN have widened our collaborative institutions to make political, economic, social and cultural cooperation possible, so must we follow the same track in dealing with our problems of security.



As we have focused on building political trust and people-to-people interaction in our economic and social development programs, so in security must we build trust and harmony.

As we have fostered economic interdependence at a pace comfortable for every member, so in security must we build incrementally—keeping in mind that the process of reaching agreement is important in itself.

In the last analysis, building a structure of Southeast Asian security is founded on building a community of nations. And we have a real chance to nurture both prosperity and peace in our region because—now more than ever—all of Southeast Asia recognizes how high the stakes are.

Now, for the first time in its history, Southeast Asia is becoming a power in the world—and in its own right.

As we of ASEAN anticipate the 30th anniversary of ASEAN's founding on August 8, 1997, we can look back with pride and a sense of achievement on how former colonized countries in Southeast Asia can unify and integrate in order to win the future.

These to me are what enduring peace and sustainable development are all about—for ASEAN, for the Asia-Pacific, for Asia-Europe and for the world.

*Source:* **Presidential Museum and Library**

## **Speech of President Ramos during the Centennial Celebration of Jose Rizal's Martyrdom**

### **Speech of His Excellency Fidel V. Ramos President of the Philippines During the Centennial Celebration of Rizal's Martyrdom**

[Delivered at the Quirino Grandstand, December 30, 1996]

#### **Facing a new dawn**

A HUNDRED YEARS have passed since that December morning when a young man—a Filipino such as we have rarely seen—was executed by a firing squad not too far from here.

The historian's record tells us that "about 6:30 in the morning of December 30, 1896, a trumpet sounded at Fort Santiago, announcing the beginning of a gloomy death march. An advance guard of four soldiers with fixed bayonets moved, followed by more guards to the rhythm of muffled drum music. The cortege marched slowly toward Bagumbayan Field, with the arms of the condemned man tied behind him from elbow to elbow.

#### **Face turned to the rising sun**

"After a brief ceremony at the spot of his execution and over and above the drum beats, the crowd heard distinctly military commands: *Ready! Aim! Fire!* And simultaneously a volley of shots came from the firing squad. In his Herculean effort not to die a traitor's death, his bullet-riddled body veered to the right, so that as he would fall dead, his face could turn to the rising sun. This was exactly 7:03 a.m."

When those shots were fired and the man crumpled to the ground, it meant the end of a bold and brilliant life—a life devoted as much to the fulfillment of our dream of nationhood as to the perfection of one's individual talents.

Rizal died here, a hundred years ago, but it was his greatest triumph—and one of the most remarkable ironies of our country's history—that his execution did not quell the fires of revolution, as his jailers may have hoped, but rather fanned them. For every bullet that pierced his body, thousands more would be fired in quest of freedom.

Many more Filipinos—and Filipino heroes—would sacrifice their lives before that freedom could finally be claimed. But it was Rizal who—in his time and also in ours—impressed upon his people the fact that the Filipino was worth dying for.

The same noble thought would be remembered and lived out by such other heroes as Ninoy Aquino. Today we take this as a truism—perhaps too easily, so that it does our spirit and our memory well to recall that Rizal's life was not an easy one to give.

When he died, Jose Rizal was 35, a gifted and accomplished man, a veritable Renaissance man whose achievements spanned the realms of medicine, education, literature, art, linguistics, economics, engineering and sports. He was someone who had every reason to indulge in purely personal cultivation and selfish gratification, to leave politics and social causes to the more affluent and perhaps the less endowed.

#### **His country as his constant compass**

He could have escaped the tribulations that embroiled his country; he could have stayed in Europe, and parlayed his talents into a successful career in any one or two of his many interests.

But he did not, because his heart had always been here in the Philippines and with our people. Writing the Spanish Governor-General from Hong Kong in 1892, Rizal would declare that “the supreme obsession of my life has always been my love of country and its moral and material development.” Ten years earlier, during his first trip abroad, he had written from Barcelona, “Love of country is never effaced once it has penetrated the heart, because it carries with it a divine stamp which renders it eternal and imperishable.”

Throughout his travels and his letters, Rizal kept the Philippines and her beauty as his constant point of reference. For such a Muse, and for her love, a man could die, and die well. “Sweet is death,” he wrote, “for one’s native land.”

At the same time that he loved his country, Rizal did not fear to know the world. He was very likely our first global Filipino—a citizen of the planet.

Indeed, well before the Filipino was to be found in every corner of the world as now, Dr. Jose Rizal had been there before him, presaging our emergence as a people whose destiny would be linked to the earth’s own.

### **A patriot of the highest order**

In his great work *El Filibusterismo*, he foresaw a time when humankind would become citizens of one world—when, he says, “there shall be no races, when there shall be neither tyrants nor slaves, nor colonies nor metropolis, when justice shall rule. . .”

This is the ideal of a universal humanity to which we all aspire, and today our increasing interaction with one another—the globalization of our economies and political relations—proves the relevance and viability of Rizal’s vision.

In his long-range view, this could be a better earth, a better world for all humanity: beginning with our becoming a better country for our own people.

Our economic strides, our growing self-confidence, our enhanced international prestige, the peace we have achieved in Mindanao, our new emphasis on social reform—all these are means by which we bring Rizal’s words and his spirit to life, by which we assure his continuing relevance to our times and to the Filipino future.

And much of the work ahead will take place here, to be done by you and me and by all of us. Before and even as he was a citizen of the world, Jose Rizal was—first and foremost—a son of his motherland, a patriot of the highest order, exhorting his countrymen and countrywomen to free themselves through study and through labor.

Today as we commemorate Rizal’s martyrdom and contemplate our own lives, let us think of how glorious Rizal’s life was, and how equally great and noble was his sacrifice.

This does not mean that you and I cannot aspire to meeting Rizal’s standards. Rizal himself recognized that we each have our own particular talents and endowments, our roles to play in the continuing drama of nation building.

### **Living by Rizal’s example**

We are not even called upon to offer up our lives—except in the most extreme circumstances, such as we faced at EDSA a decade ago. We are called instead to imbue our lives and that of the nation with the principles that Rizal stood for: patriotism, service, excellence and selflessness.

Our greatest tribute to Rizal would be to make him a symbol of our aspirations for the 21st century. More than any other man, he was able to envision a nation that would be proud and free, the country and people that, by God’s grace, we have become.

The greatness that we can achieve is boundless if we are to pursue it as a united people, inspired by the memory and the example of the man whose death a hundred years ago gave life to the Filipino nation.

As Jose Rizal did, let us face the dawn of a new century—no longer to die, but to live in peace, freedom and prosperity.

*Source:* **Presidential Museum and Library**

Ramos, F. V. (1997). *Leadership for the 21st century : our labors today will shape our country's future*. [Manila] : Friends of Steady Eddie.

**NATIONAL GOVERNMENT PORTAL – EDITED AT THE OFFICE OF THE PRESIDENT OF THE  
PHILIPPINES UNDER COMMONWEALTH ACT NO. 638**

**Speech of President Ramos on Ulat sa Bayan**

**Speech  
of  
His Excellency Fidel V. Ramos  
President of the Philippines  
On Ulat sa Bayan**

[Delivered in Malacañang, January 2, 1997]

**Faith** **in** **ourselves,**  
**faith in the future**

I SPEAK to you today—just one day after our celebration of New Year’s Day—because I know you would want to be informed of the labors and initiatives your Government will undertake in the new year. As in our personal lives we should not waste any time in carrying out our resolutions, so must we as a nation not tarry in acting on our resolves.

Our national spirit was forged by a ceaseless struggle for freedom, and when we Filipinos rose against our colonial masters and became a nation by our own aspiration and proclamation one hundred years ago.

Three days ago, we recalled that spirit when we marked the centenary of the martyrdom of Dr. Jose P. Rizal. Its recollection raised our sights once again on the nation we *want* to be—and *will* become.

**Where we are today**

Just 17 months and 10 days from now, we shall be marking the first centennial of independence. I believe 1996 will stand in our national annals as a time when we mastered the test of nationhood and met the challenge of development.

Our 70 million people—Christians, Muslims and indigenous peoples—are finally gathered under the single roof of our Republic.

When we sealed the peace agreement between Government and the Moro National Liberation Front, we did not merely end 25 years of separatist conflict in our southern regions. We ended the estrangement of our Muslim peoples from the national community.

This past year, we could say we have progressed from the point of takeoff toward sustainable development.

Economic growth is no longer a momentary event in our economic fortunes. It represents a basic change in national capacity—which for years to come will signify a more competitive economy and a more equitable society.

And finally, this past year, we truly won the respect and admiration of the world. In previous times, we Filipinos had astounded the world with feats of valor and of community—as at EDSA, when we showed other captive peoples the way toward democratic revolution in our time. Yet even that achievement did not lead to confidence that we Filipinos could master the challenge of organizing progress.

**A great deal more to do**

Today we have finally earned that confidence of the community of nations. As many world leaders have noted, we Filipinos have proved that development in the Asia-Pacific can take place under a democratic system.

But significant as this record has been so far, we have not reached the point where we can sit back and relax. Much has been done—but there is a great deal more to do.

So today I shall point the nation to the problems that remain and the challenges that even now press on our door.

Years ago, the malaise of national life was a sense of defeatism and pessimism that made national undertakings futile—even before we started them.

Today we must guard against a shallow optimism that believes all will now become well automatically; that we can just drift along with the tide to where we want to go.

Complacency will not serve us in facing the problems still ahead and the challenges posed by today's world.

Some 33 percent of all Filipinos still can barely eke out a living; and many more must squat if they are to have a roof over their heads.

We are an open society where some still live in fear in their homes and in public places.

And we are a democracy that still must strengthen its institutions and refine its processes, so that ordinary people are truly empowered; and take part in making the decisions that shape their lives.

Abroad we face a world made smaller by the advances of science and technology. Just as in life there is no free lunch, so are there no free rides in the global economy.

We get no more no less than we work and pay for.

Government has the responsibility of leading the way in meeting these challenges. But Government will get nowhere unless we all pull together—citizens no less than our institutions; our private sector no less than the public sector.

This is also the time to make demands on ourselves—to ask what we can do to contribute to the common life. Most of the time, we citizens speak of rights. This is also the time to speak of duty—as members of families, of communities and of a free society.

### **Give the best of what is in us**

The details of what we have done and still must do are contained in the documented technical report that constitutes the bulk of my report. And they are there for all to see.

If we are to get the best for ourselves, then we must also give the best of what is in us. All must enlist in the task of national strengthening.

The first area for national strengthening is peace, public safety and security—where we now have the chance to build on major gains made during 1996. Peace and order are the first pillar of national regeneration.

All the progress we made on the economic and social fronts we have achieved because we stilled the guns of conflict and contained the forces of disorder in national society. And this we have done by extending the hand of peace to the disaffected; and by strengthening the rule of law against the criminally inclined.

We must also continue to pursue peace negotiations with the Communist Party and its representatives. Although the talks have proved difficult, I remain steadfast in the belief that agreement can—and will—be found. And I believe our communist brothers—like the military rebels and the southern separatists—will yet find their rightful place in civil society.

### **A war of attrition against crime**

A different order of challenge is the threat posed by crime to national society—a challenge which must be met not by conciliation but by competent law enforcement and administration. Civil society has been lacerated by crime these past years. If there is one area in which the word “war” is appropriate, it is in our fight against crime.

The encouraging thing is that finally our efforts are beginning to tell—not only on the crime index, but on the level of public support for law enforcers. When the secretary of the Interior and Local Government is ranked the highest in approval ratings among members of the Cabinet, that surely is a sign Government is on the right track, and that we should intensify our efforts to support and strengthen the work of our national police.

The fight against crime is a war of attrition. But no one should doubt that—when the dust has settled—the law will be left standing.

The most important factor in conciliating rebel groups and in containing crime in society is no longer the matter of ideology but equal opportunity for ordinary people to be given their just share of jobs, justice and joy. So the success of the economy is central to our hopes.

National economic performance in the first three quarters of 1996 suggests we should hit 7 percent or a little more in the gross national product growth for the entire year. And gross domestic product growth will stand just a little less, at around 6.5 percent.

### **The key indicators speak for themselves**

What is most encouraging is the fact of steady expansion. From nearly zero growth when we began in 1992, we have added—year by year—to national productivity and performance. Now we are reaching the high levels of growth which most of our vigorous neighbors have known for over a decade—and where we in our turn will strive to stay.

This is achievable—because we have proved our competence in fiscal and monetary management. And we have also unleashed the enterprise and creativity of our private sector.

The key indicators speak for themselves.

Inflation was at 8.7 percent for the first eleven months of the year. In September it was recorded at 4.4 percent—the lowest since 1992.

Interest rates—as measured by 91-day Treasury bills—averaged 12.4 percent from January to November 1996—nearly four percentage points lower than the level for the same period last year.

Exchange rates remained stable—with fluctuations in the peso-dollar rate hovering within a band of 13 centavos—compared with 95 centavos in 1995.

At a time export growth is declining in other countries, our exports continued to grow by 16.7 percent for the first 10 months of 1996. Our gross international reserves reached a record \$11.6 billion in November.

Unemployment for the first three quarters of 1996 fell to 8.9 percent—the lowest since 1992.

Agriculture, which still constitutes the bulk of our economy, grew by 4.2 percent during the first nine months of 1996, compared with 1.8 percent during the same period last year.

Our infrastructure gap continues to close. Through the flagship system, we fast-tracked the implementation of critical public investments and focused strategic infrastructure projects within and between growth centers. And our build-operate-transfer scheme in infrastructure development has become a model for other countries with huge infrastructure requirements but limited resources.

These developments—taken together—constitute a powerful stimulus for continued progress. But we must match opportunity with effort, and manage with skill and efficiency.

As I have done throughout my presidency, I exhort our private sector—especially the growing middle class—to provide the engine of our sustained growth.

### **Investing in people**

Time and again, we have heard it said that growth does not reach the poor and the underprivileged among us. And the argument is based on the fact that millions still live in poverty and deprivation in our country.

We cannot argue with the numbers—for many Filipinos are indeed still poor. But we can argue with the perception that growth is not touching the lives of more and more of them; or that we are not using a proper share of our resources for the welfare and advancement of the disadvantaged.

Growth does not take place in a vacuum. New and productive enterprises require the labor of many. The cost of public works projects is borne by ordinary citizens. And when development spreads—as it has—from Metro Manila to the 15 other regions in the countryside, that signals the entry of more and more communities into the circle of growth.

Above all, we have been most aggressive in responding to the idea that to sustain growth we must invest in our people.

The most important investments we make are those we devote to the education and health of our young Filipinos.

Our Social Reform Agenda is grounded on this strategic role of human development. It acknowledges the tremendous contribution of our human resources to economic growth. And it recognizes the even greater role they can play if we succeed in training all our millions of human assets for economic productivity and self-reliance.

Thus we must give great emphasis to our programs for the disadvantaged. The objective should be not only to provide them with a safety net—whose effects can never be lasting—but to provide them with jobs and livelihoods, training and credit—which enable citizens to make a living for themselves and their families.

### **A culture of self-reliance**

The Philippines is not a welfare state; and as a people we are reared in a culture of self-reliance. It is Government's duty to build on this sense of personal responsibility by striving to help every citizen help himself.

Thus, along with our education and health programs, we are carrying antipoverty interventions in targeted areas through the minimum basic-needs approach. Our programs and policies are area-based, sector-sensitive and locally managed.

And we hope to remove anxieties about funding by designing the proposed 1997 budget—still unpassed unfortunately—as a total antipoverty measure.



Integral also to sustaining our growth is the care and nurturing of the environment. Development—it is now clear—does not force a choice between growth and nature. We can have both with due diligence and care.

The way forward is a development policy that fully pays heed to the requirements of sustainable development—a policy we have adopted from the very beginning.

The way forward is for each family and community to help in the task of caring for the environment—which includes enhancing one's surroundings, managing one's waste and right-sizing one's lifestyle in addition to the more massive programs for water, forests, marine life, sewerage, sanitation and other community needs.

### **Strengthening our ties with neighbors**

The scale of the task is huge. But it is not overwhelming. The technology for rehabilitation of the environment is available—as we are now seeing in the steady revival of the Pasig River. The political will and the resources can be marshaled—when both the public and private sectors work together. And the sense of community spirit in this effort is there, as we are seeing in the magnificent work of many non-Government organizations.

The fourth pillar for national strengthening is our relations with other nations. We should all have realized by now how strategic foreign policy is to our economic recovery and national regeneration.

Just as Apolinario Mabini saw the great importance of foreign relations to the life of our first Republic, so for our Republic today our ties with the community of nations have been a source of growth and vitality.

We have come this far by strengthening our linkages with the global economy; by strengthening our ties with friends and neighbors—particularly in the Asia-Pacific—and by making common cause with the international community in building peace and stability.

Those who counsel isolation have been proved wrong by events—and by our own successes.

Our membership in the East ASEAN Growth Area, in the Asia-Pacific Economic Cooperation forum, in the World Trade Organization and in the United Nations—all these bear testimony to the importance of diplomacy in shaping the future. The expansion of our export trade and the flow of foreign investments into our country—along with the technology transfer they engender—these manifest the wisdom and the beneficence of engagement in the international economy.

And when we successfully hosted the fourth APEC Leaders' Meeting, we established the Philippines as a capable player not only in East Asia but in the world.

I therefore see the year 1997 and the balance of my term as an opportunity and a challenge to consolidate our place in the international community

We should give attention to strengthening our representation in international councils and organizations. We should endeavor to strengthen our ties with old and new friends. And we should foster the spirit of international exchange—while taking heed always of Claro M. Recto's counsel to nurture an independent foreign policy.

### **The challenge of leadership**

These challenges lead to the most important challenge of all—the challenge of leadership.

By this, I do not mean Presidential leadership alone—but leadership of the triad of powers upon which our constitutional system rests. By tradition and by choice we have a system where government power is wisely dispersed and kept in balance. Other countries may have succeeded with their own systems; we are succeeding with ours.

So we can call upon our legislature, our judiciary and our executive for a higher quality of leadership, anchored on our national interests, that will take us effectively to the new century. This is the time for us to examine how the three branches can work together even better.

Our constitutional system has worked well because it reflects the overwhelming sense of our people that power should not be reposed in any single institution, let alone in one man.

In the legislature we have the seat of reason—which enables us to deliberate on the best policy that can serve the nation. In the presidency we have the seat of resolve—which enables us to act and carry out policy for the benefit of the nation. And in the judiciary we have the seat of review—which enables us to consider and judge when conflict and confusion arise.

These three legs of government constitute the vital foundations of our democracy. Were any of the legs missing, we would not be the functioning democracy we are today, and our people would not rest secure.

Now—as we approach a new century—I see no greater need than that we should strengthen these pillars of our democracy—buttressing them where they are weak, and improving their processes so they can act with greater dispatch.

### **Building up the bureaucracy**

Within the presidency, the basic need is to strengthen the government bureaucracy. Good governance is much more than simply leadership. It is also about efficiency and effectiveness in the civil service, which forms the frontline of Government in our country.

We have paid lip service to this issue for a long time. It is now time to act. We must emplace once and for all the proper structure for the bureaucracy that best fits the needs of a new time. We must define new standards for government service and performance, so that we will know when Government is meeting its task, and correct it when it is not.

To be competitive in the world, we need not only world-class enterprises but also a world-class civil service. We need to bring into the bureaucracy the tools and standards of the knowledge society—where learning and competence can make the difference between success and failure.

I have been fortunate these past four and a half years to work with many able men and women in our administrative bureaucracy. And I would like to see the day when their service can be the benchmark for performance throughout the service—national and local.

Finally, let me say a few words about the task that must increasingly concern us as we near the 1998 elections. It is surely time to turn our attention to the need to totally modernize our electoral processes and our conduct of elections.

In this age of instant communications, it is a shame that we should still take weeks to sort out the mandate of our electorate. We tarnish the image of our democracy before the world every time we falter in the simple task of counting votes.

So let us begin—before the passions of partisan politics engulf us—the process of electoral reform and modernization. I would like to believe that this program of national modernizing and strengthening is a cause beyond party and beyond faction. It is a cause we Filipinos must all embrace.

It must be the cause of all our leaders, who seek to do right by our country and our people.

It must be the cause of ordinary citizens who desire to have more control—a stronger voice—in how they are governed.

And it must be, above all, the cause of our young men and women, who more than anyone will face the consequences of either our neglect or our solicitude.

### **Pole-vaulting into the 21st century**

We cannot solve all our problems overnight; but we know now that, when we are united and resolute, we can master them as we have shown during the last four years. Stamina, resilience and daring—not instant fixes or miracles—took us over each obstacle we have hurdled.

We no longer should be satisfied with leapfrogging—for others are leapfrogging, too. Rather, our aim should be to pole-vault—over those who are merely leaping—into the 21st century. In vivid and memorable ways—during these past few years—we have discovered together what is common within our diversity as a people; what is simple behind the complexities of our public life, and what is enduring amid the tides of change.

I believe we know now the sources of vitality of the nation, and the ways whereby we can add to our strength and capacity. They are rooted in the spirit that brought our people to freedom a century ago.

This is fertile soil on which to plant for the future. So I ask you today to join me in this effort of national strengthening.

Let these final 18 months of this Administration crown our labors of reform and regeneration.

Let it prepare us for a secure and brighter future—for ourselves and for those who will follow us.

*Source:* **Presidential Museum and Library**

Ramos, F. V. (1997). *Leadership for the 21st century : our labors today will shape our country's future*. [Manila] : Friends of Steady Eddie.

**Speech  
of  
His Excellency Fidel V. Ramos  
President of the Philippines  
During the Eucharistic Celebration for the Closing Ceremonies of the 5th National Eucharistic Congress**

**One God, one people,**

## Recovering freedom lost to strongman rule

We fought three waves of foreign colonizers over the centuries to keep our freedom and when this freedom was lost to strongman rule, we rose again to regain it during the peaceful People Power Revolution at EDSA in February 1986.

Indeed, we Filipinos deeply cherish our freedom and we will fight to protect and keep it if anyone tries to take it from us.

In a very real sense, the Ramos Administration has sought to preserve the freedom we have achieved by consolidating the gains of the EDSA Revolution and by exerting determined efforts to liberate our people from poverty, injustice and illiteracy.

While we achieved significant gains toward these objectives, I must continue, as your President, to warn our people against complacency and divisiveness which can lose for us the progress we have already made.

## The eucharistic teachings of the Church

I am aware that the freedom to which the Eucharist is linked by this National Eucharistic Congress is not limited to the freedoms that are the object of our people's endeavors. The Eucharist also focuses on spiritual freedom which is necessary for total human development.

This certainty is based on two teachings of the Church on the Eucharist.

The first is that in the Eucharist, the son of God our Savior is truly present in his own body and blood, as God and as man. Jesus Christ tells us that all that was truly human was his concern, and that He freed people not only from the bondage of sin but also from everything that would diminish them as human beings.

Jesus still wants the multitudes to be fed, sheltered, clothed enough so that no one will be in need. He still wants the handicapped, the disadvantaged and the marginalized to be given their proper place in the sun. And He certainly expects conversion from sin to have a profound effect on the transformation of society itself.

The second important teaching is on the centrality of the Eucharist. If the Eucharist is so central to the life of Christians, then it must serve to promote all their endeavors.

Certainly our country will be a much better and more progressive country if like Christ in the Eucharist, we will live as persons who give over our lives to God in the service of our fellowmen.

Our heroes showed us that the way to liberation is through the way of sacrifice. In this they were mostly like Christ. Jose Rizal and Ninoy Aquino were such heroes now dearly beloved by the Filipino brethren.

The truly liberated and liberating persons are those who are willing to make sacrifices and even to sacrifice themselves for the sake of their fellowmen.

### **Forging unity**

We also know that individual freedom is meaningless without unity. This is why in the more than four years I have served as your President, it has been my consistent priority to achieve unity for our country. Our peace initiatives are critical components of our quest for unity as a nation and as a people.

We have sought common ground with our Muslim brothers and sisters. Last year we reached a peace agreement that ended the bloody decades-long conflict in Mindanao.

Instead of wasting a great deal of additional lives, resources, energy, goodwill and precious time in conflict, we are now developing the potentials for community teamwork, social cohesion and economic growth in the southern Philippines and everywhere else in our country. All these, if pursued together by all of us, will ensure a brighter future in the third millennium.

The Ramos Administration has sought to build peace and unity on the basis of the basic beliefs and values of our people—our trust in God, devotion to family solidarity, respect for each other and faith in the Filipino.

As we all know, this Eucharistic Congress seeks through worship and meditation to forge in the hearts of our people the true essence of freedom. This gives us the inspiration that we need to take part in the process of nation building with greater vigor and deeper commitment.

A few days ago as we watched on television the second Clinton inaugural ceremonies in Washington, we heard again the moving words of one of the immortal and most-loved Christian hymns: “As He died to make us holy, We shall die to make men free.”

Those glorious lines remind us that holiness, freedom and justice are so vital to people’s lives that they represent the universal aspirations of man.

Indeed God saved us so that we in turn may free others—free them from poverty and injustice, from ignorance and insecurity, and from hunger and inequity God wants all of us—regardless of race or creed—to be free so that we may enjoy the benefits of human freedom and the bounty of God’s earth.

From this renewal of the spirit through prayer and service, let us perform better as citizens and as public servants. May the bread of life and the wine of salvation inspire and empower all of us to be more effective partners in nation building.

The centering on Christ in the Eucharist, which this congress seeks to promote, will advance not only the interests of the Church but the efforts of government as well.

### **Advancing our goals of peace**

By the time we celebrate the great jubilee three years hence, our beloved Philippines will hopefully have attained the status of a newly industrializing country.

Our common faith and united effort hereupon will spell greater success not only for the celebration of the landmark jubilee at the turn of the century but also for our shared vision of economic growth, political stability and social progress which we call “Philippines 2000.”

Together let us advance our goals of peace and unity for our people. And with the help of the Almighty, let us pole-vault into the 21st century and the third millennium.

*Source:* **Presidential Museum and Library**

Ramos, F. V. (1997). *Leadership for the 21st century : our labors today will shape our country's future*. [Manila] : Friends of Steady Eddie.

**Speech of President Ramos during the Opening Ceremonies on the Symposium on Asian Electoral Systems  
Undertaking by the International Foundation for Election System-Commission on Elections**

**Speech  
of  
His Excellency Fidel V. Ramos  
President of the Philippines  
During the Opening Ceremonies on the Symposium on Asian Electoral Systems Undertaking by the  
International Foundation for Election System-Commission on Elections**

[Delivered at the Diamond Hotel, Manila, January 27, 1997]

**Asian  
on the march**

**democracy**

THAT SO MANY Asian countries should be represented at this meeting will surprise many who live outside the region—and perhaps many Asians as well. For the general belief is that most Asian societies are making their way in the world under governments that are less than democratic, and that behind the so-called Asian miracle—which has set the pace for world progress—stands the dominance of authoritarian systems.

Yet when we call the roll across the length and breadth of Asia, we find the contrary to be true. In many ancient lands like India and Japan, democracy today is a tradition with strong roots dating back to many years.

**The promise and the reality of democracy**

In some countries that have industrialized within these last three decades—like South Korea—economic progress has brought forth stable democracies that will survive long into the future. And in many developing lands like our own, the foundations for the democratic tradition had been built and continue to be reinforced, side by side with the winning of economic progress.

Democracy in Asia may not mirror exactly democracy as the Western world knows it. Asian cultures and traditions have given democracy a shape that is uniquely and distinctively their own. And conditions in our developing societies have always and everywhere posed challenges to the building of democratic institutions and processes.

Yet amid all these influences and challenges, we can be in no doubt that democracy is on the march in Asia today. Democratic consolidation is taking place in many countries. Democratic elections are now being held with regularity in many countries. Democratic elections are now being held with regularity in many lands. And even in those places where democracy today remains a dream, the hope has risen that some day too it will become reality.

Change is taking place because peace and progress have come upon Asia in our time. As the political scientist Samuel Huntington has noted: “Economic development makes democracy possible; political leadership makes it real.”

Indeed we stand in a historic time when the promise and the reality of democracy can meet.

**The Philippine experience**

All our countries bring to this meeting their unique experiences in making democracy possible and real for our peoples. Each of us has had to struggle under difficult odds to fashion what Lincoln memorably called “government of the people, by the people and for the people.” In the case of the Philippines, our own journey is perhaps of more than passing interest because it covers now nearly a century—during which we have found and lost—and found again our way to the democratic tradition.

In 1898 we established the first republic in Asia. Over the course of a hundred years—under colonial domination, through three waves of foreign occupation, in war and peace, and through the rigors and challenges of self-government—we have been tested in our faith in democracy.

By God's grace and through our labors, we have kept the faith and stayed the course. And today we stand among you as a free and democratic Asian republic.

Clearly our experience underlines the now conventional truth that democracy is not an easy course to follow. It is messy and noisy. It tests the mettle of politicians and statesmen and the citizens themselves. Consensus comes only after long debates and sometimes conflict. And it gives no guarantees of success in the primordial challenge of engineering, economic development and social progress.

### **A nation grown in freedom**

But then this also can now be said—as it has been said by many. Philippine democracy has served as our engine for economic growth. Today we can point with some pride—because we have struggled so long—that we have achieved a measure of development not by compromising the richness of our democratic institutions, but by making them work.

We have grown as a nation in freedom. The criteria for democracy are various. It demands the rule of law and fully functioning legal systems. It calls for limitations on government through written or unwritten constitutions. It calls for serious debate in the making of policies and accountability in their implementation.

But perhaps the first and the most important criterion of all is the active exercise of the people of their sovereign power—through elections. As we Filipinos see it, the exercise of suffrage is the throne on which democracy sits. Without honest, orderly and peaceful elections which are credible to the people, there can be no hope for real democracy.

Here in this conference, we have much to learn from one another in the design, organization and administration of election systems. And I will be the first to say that we have much to learn from you, just as you could learn from us.

Philippine elections are often highly contentious, free-wheeling and rambunctious exercises. They have lately become significantly less violent—although definitely not less interesting. One political analyst remarked recently, in the light of early campaigning for the 1998 elections, that the longest season in the Philippines is not the rainy season, not the hot season, but the electoral season. Because our elections are what they are, we have—since 1940—consistently reinforced the independence and the powers of our Commission on Elections.

During the election period—and we have had 81 major elections and associated political exercises during the last 55 years—the Commission on Elections becomes a virtual provisional government. To reinforce its manpower, it habitually deputizes, as authorized by law, the Department of Education, Culture and Sports, the National Police and the Armed Forces plus many other government departments and agencies. It can suspend public works projects and prevent government expenditure including for personnel appointments and promotions, if it decides that these could influence electoral outcomes.

The one indubitable fact about our electoral experience is that elections produce the peaceful turnover of power from one administration to another. Indeed, until the long hiatus of martial law, we never witnessed the reelection of an incumbent presidential administration.

### **Democracy as a process**

Yet our long electoral tradition notwithstanding, we also know many weaknesses and shortcomings in our election system. Democracy, truly is not just a culture, it is also a process and a structure. As a civil engineer I can tell you



that every structure, whether institutional or architectural, requires not only maintenance but also constant improvement

One weakness is the long and laborious process of tabulating votes in our country—which in part is due to our being an archipelago of 7,107 islands, in part to outmoded systems and in part to peculiarities in our democratic processes. Thus where in other countries, electoral verdicts are known in a matter of hours, here in the Philippines they sometimes take weeks.

Let me say a few words about the task that must increasingly concern Filipinos as we near the 1998 elections. It is surely time to turn our attention to the need to totally modernize our electoral processes and our conduct of elections.

In this age of instant communications, it is a shame that we should still take weeks to sort out the mandate of our electorate. We tarnish the image of our democracy before the world every time we falter in the simple task of counting votes.

### **A program of electoral reform**

For this reason, we have embarked since 1994 on a massive program of electoral reform. Last year we put in place the beginning of a computerized electoral process. This will allow us to take advantage of new technologies to greatly speed up the counting process.

Beginning this year, we will have all our voters register anew and on a continuing basis. They will be issued ID cards that will help to reduce the incidence of electoral fraud.

I look forward in the near future to instantaneous tabulation of electoral results, using the wonders of modem technology. This will be a major progression from the elections that brought me to office in 1992 where the tabulation of results required nearly six weeks of suspenseful counting, canvassing, proclamation—and waiting.

But technology is not the only answer. We also must address the quite unique fact that the Filipino voter—alone in the world—has to write out every name in his ballot. This is further complicated by the fact that we have enfranchised—and with good reason—those few (3 percent) among our people who are illiterate. This makes voting a long and laborious process, whereas with other election systems, voters need only to punch colors or check out names, symbols and the like.

A more efficient electoral process is also a more credible one. The more credible elections are, the more convincing the legitimacy they bring to democratic governments—especially democratic governments that need to undertake drastic reforms that will prepare their societies for the 21st century.

This meeting will serve us well if we can share our experiences—both the successes and the problems. In this way, we can strengthen our election systems by learning more about solutions and technologies that work.

It is gladdening to note that during this conference, you plan to lay the foundations for an Asian regional organization of officials responsible for the election process. This will accelerate and regularize the effort of networking and exchange. And if your gathering will speed up the scheme, I fully endorse the decision to have this regional organization headquartered in Manila.

### **A wave of democratization**

Regional cooperation has already achieved much in advancing our common goals, particularly in the economic sphere as we know in both ASEAN and APEC. It is only fitting that regional economic cooperation should also promote the democratization wave within our region.

None of the tasks before us can be accomplished all at once. Nor will they be accomplished without patience, dedication and tolerance for one another. Strengthening democracy in Asia is a formidable challenge because many of us are societies that are still groping for the kind of stability and progress under which electoral processes can truly work. But we can all enjoy and spread the light of democracy so long as we persist in the effort at change and so long as we believe that democracy is what will ensure the sustainable future for our peoples.

As was said long ago, so it is still true today: governments come and go; but the people remain. It is the majesty of their power that we exalt when we build functioning and free election systems. And it is freedom—in a free society with free markets—that builds communities as well as countries.

*Source:* **Presidential Museum and Library**

Ramos, F. V. (1997). *Leadership for the 21st century : our labors today will shape our country's future*. [Manila] : Friends of Steady Eddie.

**Speech of President Ramos at the Launching of the Year of the Filipino Spirit, January 28, 1997**

**Speech  
of  
His Excellency Fidel V. Ramos  
President of the Philippines  
At the Launching of the Year of the Filipino Spirit**

*[Delivered at the Quirino Grandstand, January 28, 1997]*

**Renewing  
Filipino spirit**

**the**

IN THIS FINAL YEAR before we mark the centennial of our proclamation of national independence, it is fitting that we should dedicate the year 1997 in remembrance and renewal of the spirit that set us free. So we are gathered here today—under the umbrella of the National Centennial Commission—to proclaim 1997 as the “Year of the Filipino Spirit.”

A great statesman once said that a nation has “something deeper, something more permanent, something larger than the sum of all its parts . . . something which matters most to its future.” That something is its spirit, which is unique to it because it is born of the race and the product of centuries.

**An epic struggle to be free**

The spirit of the Filipino race did not just emerge with the outbreak of the Philippine Revolution in 1896 or the proclamation of national independence in 1898. Rather, as Ninoy Aquino wrote from his prison cell, it was shaped by our long history of “epic struggle to end oppression and to be free.”

From the heroic stand against Spanish conquest by Lapu-lapu in Mactan 476 years ago to the explosion of People Power at EDSA in February 1986, the Filipino spirit has been embodied in one word: *freedom*.

Along the way, our people and our country have been conquered, enslaved, trampled upon—sometimes by others, sometimes by our own leaders—but the Filipino spirit never perished. Again and again, it rose—shaking up the citadels of those who sought to rule against our people’s will and signifying for all the indubitable imprint of individual freedom and of our nationhood.

If today we stand as a nation secure in our independence and winning the respect and good will of the world, it is because we have kept faith with this priceless legacy.

**A home in every Filipino breast**

Many words have been written of this spirit that binds us as a people, but perhaps none are more moving than those of Andres Bonifacio, who wrote:

*Aling sa gaya pag-ibig ng pagkadalisay pa pag-ibig ang at sa hihigit kaya, pagkadakila lupa?*  
*aling pag-ibig pa? Wala na nga, wala.*

*Walang ng dugo, may yaman, mahalagang pusong dunong, hindi sa katiisan bayang at inihandog pagkupkop pagod,*

*buhay  
magkalagot-lagot.*

*ma'y*

*abuting*

His words remind us how patriotism and love of freedom found a home in every Filipino breast—rich and poor, young and old, high and lowly. They tell us how we became one people and one nation.

*Pag-ibig sa Inang Bayan ay katumbas sa pag-ibig sa Diyos, pag-ibig sa kapwa at pag-ibig sa kalikasan. Ito ang diwang Pilipino ang diwa na nagpakilos sa ating mga kababayan noong rebolusyon ng 1896 kung saan ang ating mga ninuno, sa kabila man ng pasulpot-sulpot o ang paminsan-minsang di pagkakaunawaan, ay nagka-isa at nakibaka tungo sa pagtagumpay.*

Now we stand on the eve of our rational centennial and on the edge of a new century. One chapter will soon close and a new one will begin. Because the world has turned over many times over this century—and modern life with its technology is very different from what it was during the birth of our nation—some of us may imagine that Rizal, Bonifacio, Aguinaldo and our other heroes have little to offer us save the memory of their deeds. And that to make our way in the world, there is little that history can teach us.

### **Breaking the shackles of the past**

To think thus is to miss the point of celebrating our centennial of independence. Such commemoration presents us with the opportunity to renew ourselves as a nation. The challenges that face us now echo the challenges that shaped the birth of our republic: How do we hold our people and our nation together in order to master the problems and challenges before us? How do we employ our numbers and resources now to fulfill our potential and win the future?

In the pages of our history, we find stirring lessons of how we must transcend the divisions of region, religion and ethnic origin and social status in order to forge a future together. Lessons of how we must dare to break the shackles of the past in order to create new hope for the future. Lessons of how we must master the art of governing ourselves in order to master the problems that plague the nation.

Our rich legacy of heroism and freedom is the foundation on which we must build our future stability and prosperity.

Some of us think that emulation of our heroes is obsolete wisdom and corny rhetoric in this age when men and women are reaching for the stars. I would remind them of the words of Mabini: “Let us never forget that we are called upon to rise, and can go upward only on the ladder of virtue and heroism. . . . If we do not grow, we shall have died without ever having been great, unable to reach maturity.

Like other people who reached the pinnacle of greatness, so will we grow in emulation of those who made us all proud to be Filipinos. For whatever our forebears were, we too can be in our own way and in our own time.

Last year, we implemented Proclamation 510 declaring 1996 as the Year of the Filipino Heroes in celebration of our national Revolution. The celebration climaxed with the 100th anniversary of Rizal’s martyrdom which we marked last December 30th. Through the reenactment of significant historical events, we recollect and rededicate ourselves to the grand vision that gave birth to the nation.

### **Sources of the national tradition**

When we speak of the Filipino spirit, we speak of the essential qualities of our people that have shaped us into the nation that emerged in 1898 and the nation we are today.

Writing on our Filipino national tradition back in the sixties, the historian Horacio de la Costa distilled five principles from the sum of our experiences as a people. And these he said are: *pagsasarili, pakikisama, pagkakaisa, pagkabayani and pakikipagkapwa-tao.*

*Pagsasarili* because we Filipinos ardently believe in self-reliance.

*Pakikisama* because we Filipinos believe in the equitable sharing of goods and services in a spirit of partnership.

*Pagkakaisa* because we Filipinos believe we cannot get anything done on a national scale unless we pull together as a team.

*Pagkabayani* because we Filipinos believe that no sacrifice can be too great for our country.

And *pakikipagkapwa-tao* because we Filipinos know that no man is an island; we are all brothers and sisters to one another.

Looking at our history, again and again we see how these five principles have become indubitable marks of the Filipino spirit—taking us to feats of greatness in the deeds of our forebears, and leaving us in crisis when they deserted us.

Upon the salutary working of these five principles, we have become the nation we are today. And depending on how we make them reign in our personal and collective life, so will we master the challenges of the present and the future.

Today as we bid for the full rewards of development and peace in our country and a place in a highly competitive global economy, I do not doubt that our success lies in the renewal of these pillars of the Filipino spirit. For in this way can we join together—government and citizenry, and all the sectors together—in a concerted effort to fulfill the promise of freedom and democracy

In many ways we can already say that we are not entirely unworthy of our heritage. In the face of the challenges of our own time we have surely acquitted ourselves in restoring freedom and democracy in our land and in bringing our country back on the road to economic and social progress.

But the work is not done. Many problems remain. And there are new challenges at our doors.

### **Our reserves of strength**

Today poverty continues to degrade the lives of millions of our countrymen and countrywomen even as our economy responds to the call of enterprise and industry. And our social reforms are not yet being fully enjoyed by a good number of our people.

Today crime and factionalism still lacerate our society even as we have succeeded in building political stability throughout our land.

Today we face intensive competition in the global economy even as we have succeeded in putting our house in order and in restoring the national economy to health.

But these challenges we can meet if we turn again to the reserves of strength in the national spirit. And if we remember always what we can do once we apply ourselves as a united team against each challenge.

It is said that each generation must strive to do more because it stands on the shoulders of giants in the preceding generations. From that vantage point, it can see the future better. And it can build better structures because it has much to build on.

This is the heart of our task as the fourth generation of Filipinos to emerge since the birth of the nation nearly a century ago. The spirit that made us free also gives us the means to write a new and exciting chapter in our history.

We all clamor for reform, we all clamor for a better life, but as Rizal said in his essay “The Indolence of the Filipinos,” “the success of the nation rests on a government made able by a noble citizenry. If we want progress, then each and every one of us must do his share to make it happen.”

**Everyone must do his share**

*Kaya natin umasenso kung talagang gugustuhin natin.*

When we bring it down to practice, the Filipino spirit really means saying, “*Kaya natin ito.*” It is a can-do mentality that will brook no momentary obstacle or problem. As the Filipino spirit freed us from foreign domination and our own weaknesses, so now it must enable us to realize the dream of a just, peaceful and prosperous society.

So on this day of rededication—on these hallowed grounds where Rizal met martyrdom and fired the flames of revolution—let us face the challenges of the hour and lift our sights to the future. Let us appraise our own part in giving purpose and meaning to our republic and accept it—and do it!—as our own opportunity and responsibility.

And with the heroism of our forebears to inspire us, with our just accomplishments to spur us and with God’s grace, let us move on to greater heights in our nation’s history.

*Source:* **Presidential Museum and Library**

**Address  
of  
His Excellency Fidel V. Ramos  
President of the Philippines  
On the sixth anniversary of the Philippine National Police**

*[Delivered at the Philippine National Police (PNP) Grandstand, January 30, 1997]*

**We will win the war against crime**

**We will win the war against crime**

If we are living in an unprecedented time of political stability, that is partly because we have ensured the rule of law in our society. And if we dare to dream today that we will enter the 21st century as a modern and developed nation, that will be partly because of the work of the Philippine National Police and our other law-enforcement agencies.

Some can argue the record—by highlighting a kidnapping case here or denouncing a heinous crime of murder or rape there. Others can belabor an instance where our police authorities may have failed in catching suspects. And still others may deplore a spate of crimes in one neighborhood.

I say this with no thought of glossing over the problems we still face. I myself have said on several occasions—and during my last *Ulat sa Bayan*—that crime is a grave menace to our society. And it is no exaggeration to describe our struggle against it as warfare.

But we will only win this war by building on what we have resolutely done these past four and a half years. We cannot win it by wild denunciations of the police whenever crime occurs. Or by mindless demands for wholesale resignations when occasional hitches happen.

In my *Ulat sa Bayan* on January 2, I described the challenge of fighting crime as “a war of attrition”—because the struggle is necessarily long and hard. Crime is not like a hostile army we are facing in the field, which, once vanquished in several battles, can be induced to surrender and lay down its arms.

Crime, like an octopus, has many tentacles. And at the end of the day, even after you have cut off many of its arms, the menace can only be contained. It does not disappear.

For such a war, we must wage battle on many fronts. We must wage it in the streets, in the schools, in public places, in the neighborhoods, even in our homes.

For such a war, we must do battle with all kinds of criminals—the terrorist, the drug lord, the kidnapper, the bank robber, the jueteng financier, the child molester, the rapist, the murderer, as well as the petty criminal.

And for such a war, we must enlist the support of not just our law enforcers but every law-abiding citizen in our country. For criminals do not thrive or operate in a vacuum. They need time and space. They feed on a measure of support from others. We must deprive them of these.

Victory over crime cannot come from fits and spurts of effort. The struggle must be sustained and relentless. And if civil society is to reduce crime to a minimum, it must be courageous enough to look into the roots of crime—and cut them off permanently. All this calls for a master plan of action that we must carry out with resolve and without letup.

### **Five-year master plan of action**

In April last year—during the National Summit on Peace and Order of the five pillars of the Criminal Justice System—we came up with such a plan. We conceived and consolidated a Five-Year Plan of Action for Peace and Order and Crime Fighting.

We took into consideration not just the recommendations of the top officials of our criminal justice system, but the counsel and experience of those who are in the frontlines in the war against crime—the police officers out on the beat, investigators, prosecutors, crusaders against violence, judges and jail wardens. And I believe we have come up with a plan that will really work.

This year, we begin the formal implementation of the Master Plan of Action for Peace and Order. It contains, as many of you already know, two vital components. The first component presents a vision of what we are trying to achieve; the second, a strategy of how to get there. Of the vision, the overarching goal is what we believe is essential to a civil and free society.

This means that we must be a society governed by laws, not men. This means laws that are reasonable and just, consonant with our belief in human rights and freedom. And this means a citizenry that recognizes both its rights as individuals and its duties to society.

### **Catch them, convict them, jail them**

Order will reign in our country when we imbibe this vision of what is expected of each of us as citizens. Someone has said that the basic philosophy is that the Filipino is *maka-Diyos*, *maka-bayan*, *maka-tao* and *maka-kalikasan*. To the extent that we foster this ideal, to that extent also will we ensure the public safety. To get to where we want to go, however, we need a coherent strategy. This the Master Plan provides in a two-pronged effort: by reinforcing the pillars of the criminal justice system, and by highlighting values through moral recovery.

Institutional strength in the criminal justice system is essential to fighting crime in society. As the former New York governor Mario Cuomo once put it: “We have to catch the criminals; they have to know they are going to be caught. We have to convict them; they have to know they are going to be convicted. And we have to can them; there has to be a place where they pay a price.”

Catch them, convict them, jail them. The certitude that all this will happen is what gives meaning to the saying that “crime does not pay.” But some of our countrymen believe that crime does pay. So we also have a problem of values



to face. We must address the erosion of values in our midst which has led to the idea of every man for himself and the hell with society. We have to inculcate the spirit of civic responsibility into our people. And this means taking the war against crime also to our schools, our churches and our homes—where values are nurtured and cemented.

In the past, antisocial and even anarchic behavior festered in our midst because there was an overwhelming sense of failure in the national as well as local leadership.

But today, we are a nation that is moving forward and upward. More and more of our countrymen are being brought into the circle of growth and development. There is so much more to hope and fight for. So I say—this is a time when we can make our people believe that there is reason for them to fight for their civil society and their country. We can win the argument against the doomsayers in our society. And we can win it because there is reason to trust again in public authority.

### **Professionalism and ethics**

Public trust has been hard-won for the PNP, so there is all the more reason to jealously guard and nurture it. Because many crimes are often committed by members or former members of the force, we should concentrate on the progress of our program to professionalize the PNP. How are we doing in this regard?

I raise this question so that you can make a sober self-assessment. From here on, you are expected more than ever to value and treasure the good will of the community, which we saw during the recent Asia-Pacific Economic Cooperation summit which took place without a hitch. This good will did not come by accident. It was the result of your performance.

I note with satisfaction that you have set aside the 7th of January as PNP Ethics Day—which highlights the fact that “Professional Conduct and Ethical Standards” must guide the members of the PNP—individually and together.

By this yardstick, morals and ethics are as important as technology and courage in the life of a police officer. We cannot have good law enforcers if either is missing in their professional life.

In the years that have passed since the creation of the PNP, one question has often been asked: Who will protect us from the police? I think we have given a solid answer to this question. We have consistently said and proven that the great majority of police officers lead lives of service, honor and justice. We have relied upon this good majority to protect the service from the scalawags. And we have weeded out many of those misfits from the service.

### **Professionalization is going on**

To those who persist in doubting the efficacy of our police corps, we should in turn ask them: What will happen to civil society without the police?

The answer is chaos and anarchy. Even the incurable pessimists would agree with that. We have had problems, yes, with police officers who have abused their powers and proved prey to corruption. But we have not been passive before the problem. The PNP has sought over these past six years to transform itself into a truly professional, dynamic and dedicated police force.

If the result is not yet the ideal that society expects, that is surely because the process of professionalization is still going on. We have had only six years to put together this civilian national police organization. And we inherited a lot of baggage from decades of authoritarianism, civil unrest and social disarray.

Today, we are in a strong position to do better in this effort of police professionalization and modernization—just as we are doing better on the economic, political and social fronts. No one should underestimate either our resolve or our capacity because we have already proven ourselves in many initiatives.

Where are the doubters now who said we could not turn the economy around four years ago?

Where are the naysayers who said that “Philippines 2000” was just a foolish slogan?

So I believe we deserve the faith of our countrymen and countrywomen when we say that we are resolved to turn the PNP into a professional and modern police corps. That the PNP deserves our people’s support in all that it is doing to ensure the public safety. And that we will win together the war against crime in our society.

I underscore the point of public support because police officers—no matter how highly professional, dynamic and motivated—cannot win this war alone. Our people must help to fight this war. The British statesman Edmund Burke two hundred years ago said it memorably: “For evil to triumph, it is enough that good men do nothing.”

### **Vigilant and active communities**

Fortunately, many more among our citizenry are doing something to help in the war against crime. The PNP has been enlisting the active participation of various sectors of society. A case in point is the 1995 covenant between the PNP and the Bankers’ Association of the Philippines. The steep drop of bank robberies in 1996 would have been impossible without the bankers getting seriously involved.

So the lesson is clear: where the community becomes vigilant and active, crime can be dramatically reduced and contained.

The unity, solidarity and teamwork between the police and the community provide the soul and substance of police-community relations—to which you have dedicated the entire month of January every year. The police officer belongs to the community as keeper of the peace. The community in turn must support his work by abiding by the law and helping to prevent others from flouting it.

It is encouraging that as we observe the PNP’s 6th anniversary, ordinary citizens are now actively involved in the war against crime. For this points us to victory in this struggle, given the increased capacity and dedication of our police corps.

My comrades and colleagues, let us therefore use this moment as an occasion for reaffirming our duty to our people and our country. Let us say to each other and let us tell our countrymen that we will ensure that the Master Plan of Action for Peace and Order works—that we will be unsparing of our time and effort in waging the war against crime in our society.

Finally, let me stress the importance of maintaining always the chain of command. When a police officer is assigned to manage an area of responsibility, the least expected of him is to do his best—and be his best. And the last thing expected of him is to question—before the bar of public opinion or before the court of law—his designation or relief.

### **Taking the fight to the enemy**

The discipline of the chain of command is one doctrine that must remain inviolable. For upon its workings depends the success of all our efforts—great and small. No war was ever won without armies holding together behind their commanders. Neither can the war against crime be won without our unity and firmness of purpose.

At this time when we know that we are winning this war, when we feel the people rallying behind our efforts, and when the climate is good for peace and development—we must strive more than ever for solidarity and efficiency. Let us take the fight to the enemy before us—crime in our society.

*Source: Presidential Museum and Library*



**Speech of President Ramos at the executive session with the Liga ng Mga Barangay Speech  
of**

**His Excellency Fidel V. Ramos  
President of the Philippines**

**At the Executive Session with the Liga ng Mga Barangay**

[Delivered at Heroes Hall, Malacañang, January 30, 1997]

**The  
of government**

**quality**

ONE COLUMNIST has wryly observed that our network of 42,000 barangays “indubitably shows the *quantity* of government we have in this country; but we must wonder whether this also means a high *quality* of government in the land.”

This is the central challenge that you and I must address together. Our Charter framers were wise to designate the barangay as the base for government administration.

But Government can only become compassionate and vibrant to the extent that our barangay officials meet their mandate—by helping to translate policies and programs into action that result in change. I have always made it a point to touch base with barangay leaders during my visits to the regions and provinces.

**Effective units of administration**

And through your national president Alex David, I have been regularly receiving reports on the various activities and programs that the League has undertaken, as well as the problems you have been encountering in your work. Together, let us draw up a national barangay development and assistance program that will help especially the poorest barangays.

If our recent history teaches us anything, it is the fact that by careful planning and relentless effort, we can transform even the most formidable challenges into victories.

We did not lick the power crisis overnight; we did it by laying the solution brick by brick. Neither did the Sick Man of Asia get out of the hospital through a miracle. We did it step by step—and by working, not talking. Thus must we also approach the challenge of transforming our barangays into effective units of Government administration.

**Synergy of powers**

In terms of law and policy support, I believe we already have a reforming institutional structure for this. Barangay councils enjoy today much larger powers and prerogatives they did not enjoy in the past. You have representation in municipal, provincial and national bodies. You are full-fledged agents of government, where, before, you were mere auxiliaries and supernumeraries in Government administration. No doubt, we can still improve upon your measure of authority. But let me tell you now—that can only come when our barangays fully prove themselves as the performing frontline troops of Government.

This you can do because in the deepest and truest sense, you are the ones in closest touch with our people. At your level, you see up close the problems of our communities. You know how Government programs work or do not work.

This unique point you must convert to your advantage. While you may not always be in a position to solve problems on your own, you can bring them to the attention of higher authorities—to your mayor, your governor, your representative, and the regional and provincial offices that represent the Presidency in your locality. It is upon this

synergy of powers that effective administration depends. And you are the first in the chain. There is a tendency in our country to think that problems are only solved by money. This is not true. If that were true, we would have solved all our problems long ago. We would not have wasted hundreds of billions of pesos on projects that never resulted in change.

Money is important, yes. But effective management and the professionalism of people and people's organizations matter even more. Effectiveness arises from each of us—local and national officials alike—doing his part and doing it well.

That said, let me say that I do understand your clamor for a greater share of resources so that you can prosecute more projects within your communities. To help you address the funding problems of the Liga, I have directed Budget and Management Secretary Salvador Enriquez to consider the possibility of automatically deducting from each barangay's internal revenue allotment share the membership dues mandated by your constitution for remittance to the Liga chapters. In this way, the Liga chapters nationwide will have enough funds to carry out their day-to-day operations.

### **Full value for the taxpayer's peso**

Being a barangay official is a full-time job. I am aware that most of our barangay officials, particularly the barangay captains, render 24-hour service to their constituents. As such, your present honorarium may not be enough for your everyday needs. To provide for more livelihood opportunities for your constituents, we will undertake a thorough study of your proposed Barangay Savings and Loan Association.

But I must warn you that a scheme like this needs to be fool-proof against fraud. The overwhelming demand of our people today is full value for every peso of taxpayer's money. We cannot have a repeat of the schemes that failed in the past.

At the end of the day, this becomes really a problem of trust, responsibility and leadership. I am confident that, today, we are steadily moving in this direction because Local Government units have become more involved in the tasks of administration and community development.

For the effective implementation of the Ramos Administration's social and economic reform programs for our basic and marginalized sectors, I intend to make the barangays, through the Liga ng Mga Barangay, proactive participants in the formulation and implementation and monitoring of our social and economic reform agenda. Where possible, we shall give our barangays representation in the policymaking bodies.

### **An authentic agent of change**

To help you in your infrastructure projects, I have instructed the chairman of the Public Estates Authority and the Secretary of the Interior and Local Government to identify sites where you can build, put up, lease or acquire your proposed National Barangay Center and other centers. Regarding our grassroots physical fitness and sports development program, show me the barangay playing field that I asked you to put in place before we can talk at all about any sports center.

Finally, to secure a solid educational foundation for the children of all barangay officials, I have directed the Department of Education, Culture and Sports to prepare the rules and procedures that will carry out Section 393 (4) of the Local Government Code, which gives free tuition and matriculation fees to children of barangay officials attending State colleges and universities.

Let us all see in this period before us a time of opportunity for the barangay to rise as an authentic government agent of change in our country. Let us strive to make the barangay a pervasive force for people empowerment and national modernization. And let us strive to make it the powerful voice of every citizen throughout our land. We can do this

together if I can count on you to focus your attention on the tasks at hand, as you can count on me to focus on mine as your President.

As leaders, it is our common duty to mold our people into one cohesive team with the common goal of actualizing our programs toward community development, nation building and global competitiveness.

We will attain our vision of “Philippines 2000” only if you in our local communities will help to make it happen.

*Source:* **Presidential Museum and Library**

Ramos, F. V. (1997). *Leadership for the 21st century : our labors today will shape our country's future*. [Manila] : Friends of Steady Eddie.

**NATIONAL GOVERNMENT PORTAL – EDITED AT THE OFFICE OF THE PRESIDENT OF THE PHILIPPINES UNDER COMMONWEALTH ACT NO. 638**

**Speech of President Ramos at the awarding ceremonies for the 1995 and 1996 The Outstanding Young Filipinos (TOYF)**

**Speech  
of  
His Excellency Fidel V. Ramos  
President of the Philippines  
At the awarding ceremonies for the 1995 and 1996 The Outstanding Young Filipinos (TOYF)**

[Delivered at the Ceremonial Hall, Malacañang, February 3, 1997]

**The  
global Filipino**

**young**

TODAY WE HONOR a new breed of leaders for the new millennium, models for our young Filipinos—young men and young women of the future.

There is a long and illustrious line of exemplary young Filipinos who have preceded our awardees today. They date back to our revolutionary past and even much earlier, when to be outstanding was to incur risk to oneself and one's family.

Young Filipinos have made their mark in all aspects of our national life—in government, business and industry, science and technology, the media, culture and the arts, the military, public policy and social activism.

**Defining the model**

The selection of the 1995 and 1996 TOYF awardees departed from the past in that the criteria now include an international dimension. Our awardees are being recognized not only for their achievements here but for their accomplishments abroad manifested by the international application of their craft or expertise. Common to all our awardees is their contribution to defining the model of the new global Filipino.

This, I believe, is truly the way of the future—the way to look, and the way to go. If there is anything that our efforts and our early successes these past few years have taught us, it is that the Filipino can achieve the full potential of his or her talent, energy and creativity. Our destiny as a nation is ours to create and to realize.

Our talented young people remain intimately connected to the vast and complex networks of the world, and rightly so. For no nation can possibly prosper in the coming century entirely on its own. This is why we have maintained and strengthened our relationships with our neighbors, friends and partners around the world, through such productive forums as the Asia-Pacific Economic Cooperation and the Association of Southeast Asian Nations.

**To distinguish ourselves in the world**

All these proceed from a vision that you and I have chosen to craft together four years ago. You made that choice with me—to win the future, to empower the Filipino, to engage, to compete and to distinguish ourselves in the world.

What may have seem hopeful rhetoric then has become a vigorous reality. That same promise, I am sure, will be realized by our awardees today.

I commend not only these bright young people, but also the organizers—the board of judges, the TOYM Foundation, the Gerry Roxas Foundation, Far East Bank and Trust Company and the Philippine Jaycees—for sustaining this praiseworthy project and its salutary objectives.

Equally deserving of our recognition and praise are the people behind these young Filipino men and women—the people who have modeled, inspired and challenged them daily to be their best. I refer to none other than the parents, spouses and families of our honorees.

The TOYF is a tradition well worth nurturing and preserving for so long as the integrity and the quality of its choices are as impeccable and sterling as they have always been.

As we move on from year to year toward a better and brighter Philippines, young citizens need role models to inspire and drive them. This is what the TOYF stands for, and this tradition, we must maintain, enhances and renews regularly.

Achievement and success without values and without sharing are hollow and self-serving. The young men and women whom we award today deserve that honor not because they have sought acclaim for themselves, but because their talents and their sacrifices have improved the lives of countless others.

The culture of selflessness, be it in time of crisis or normalcy, is the core value that unifies a nation. It may so happen that you—our young leaders here—may have different ideas about the Filipino future, and how we should get there. But as long as you keep the interests of our people—especially the poor, the weak, the disadvantaged and the powerless—it is the common good that shall prevail.

On behalf of the many Filipinos whose lives you have touched and benefited, and of the Government and our people at large, I thank you now. And I thank you now, knowing that you have many more years of service and achievement ahead.

These awards are not a culmination, but a midpoint, a waystation on the road toward an even more fulfilling future.

### **A tribute to those unsung heroes**

This ritual of getting together for the TOYF also honors the other unsung young Filipino achievers in those fields you represent and the young Filipinos who have managed to give and to do their best within the humbleness of their birth and social status.

I speak here also of our overseas Filipino workers, who are our *bagong bayani*. I speak also of our young men and women in uniform who have chosen to devote the best years of their lives to keeping the peace and upholding the law, so that you and I might live and work more safely and more securely.

They, too, deserve our recognition and gratitude.

As your President, I challenge you, the TOYF honorees of 1995 and 1996, to embody the spirit of our great heroes, by helping to prepare many more young Filipinos to follow in your footsteps—to lead others in doing as you have done.

In this you have my pledge of support, and my assurance that I share in your values and visions.

### **Thinking minds, caring hearts, strong hands**

As I end, let me express my wish that the TOYF organizers lead in supporting and sustaining the projects undertaken by the TOYF awardees. In the TOYF and the former TOYM awardees, you have the country's strongest network of thinking minds, caring hearts and strong hands.



For you the awardees today—as for the nation itself—the best, indeed, is yet to come. We look forward with great hope and eagerness to what you shall be doing these next few years to prove further that you were wisely chosen, and that you will continue to achieve.

*Source:* **Presidential Museum and Library**

Ramos, F. V. (1997). *Leadership for the 21st century : our labors today will shape our country's future*. [Manila] : Friends of Steady Eddie.

**Speech of President Ramos during the Presentation of the Rotary Club of Manila Journalism Awards**  
**Speech**  
**of**  
**His Excellency Fidel V. Ramos**  
**President of the Philippines**  
**During the Presentation of the Rotary Club of Manila Journalism Awards**

[Delivered at the Manila Hotel, February 6, 1997]

**Rotary's** **tribute**  
**Philippine journalism** **to**

THIS AWARDS PRESENTATION gives us the opportunity to pause—at least for a couple of hours—to survey the work of the media in our country, and what it means to the nation.

As a community, Filipino journalists do not relish instruction from a politician—least of all from the President—about their work and its meaning to society.

But perhaps, if I remind you that I am a voracious reader, listener and viewer of what you report daily in the press and broadcast networks, you will be disposed to listen to what I have to say. You prize your audiences, after all, above everything else.

**A right that may not be abridged**

Since their launching in 1966—31 years ago—these awards have sought to express what the nation values in Philippine journalism, and they have celebrated what we mean when we say that freedom of the press is a right that cannot be abridged either by law or by the government. Rotary's awards have sought to honor outstanding examples of the service that journalism provides to our society.

By implication, when outstanding work and individual journalists are singled out for recognition, we are all reminded that certain kinds of journalism exhibit excellence and others do not.

Of the books that have been written on good journalism, perhaps the late journalist and diplomat Clare Boothe Luce expressed the idea most succinctly. Good journalism, she said, “is the effort to achieve illuminating candor and to strip away cant. It is the effort to do this not only in matters of state, diplomacy, and politics but also in every smaller aspect of life that touches the public interest or engages proper public curiosity. It is the effort to explain everything from a summit conference to why the moon looks larger coming over the horizon than it does when it has fully risen in the heavens. It is the effort, too, to describe the lives of men—and women—big and small, close at hand or thousands of miles away, familiar in their behavior or unfamiliar in their idiosyncrasies. It is—to use the big word—the pursuit of and the effort to state the truth.”

**Articulation of the truth**

That the pursuit of the truth—and the articulation of it—is a highly challenging and inexact task, all of us will concede. The important point, however, is that the journalist must always try—to the best of his or her sometimes limited knowledge.

I see our awardees here today as among those who have tried—and succeeded. In the case of Mr. Teodoro Benigno, he has succeeded so well that he has won recognition also from his peers all over the world.

As a society, I believe we are blessed that we are served by a free press and a free media. Some may say—as foreign observers and citizens have often said—that we have the freest and most free-wheeling press in all of the Asia-Pacific.

Others may suggest that we are sometimes ill-served by the occasional excesses of our media. But it can never be disputed that as a nation, we have gained from having this “fourth branch of government” in our midst.

If we are today a young bull in Asia—Enjoying finally a spell of success after decades of crisis and stagnation—that is surely partly because press freedom is integral to the air we breathe in our country.

If the three essential branches of government have enjoyed some success in leading the nation to progress and stability, that is surely partly because of the unrelenting vigil that the media have kept on our public affairs.

If we have put in place public policies and programs that work, that is surely partly because of the vigorous public debate fostered by the media that attends the making of policy and the implementation of programs.

And finally, if today we are succeeding in proving to the world that democracy and socioeconomic development can complement each other, surely that is partly to the credit of our media.

At last count, we have today more than 200 newspapers and magazines, 99 TV stations and 517 radio stations serving our more than 69 million people. Only a handful of them are government-owned and operated.

Overall they represent a vast network of channels of information—which receive little guidance and no dictation from the Government. They report and comment on the news as they see fit. And, by and large, our people are better informed than most of our neighbors in Asia.

### **A gap between the best and the worse**

Yet by the same token, this vast network of information represents a wide variety and quality of service. The range between the best and the worse is very wide—as these awards suggest.

You of the media do not need me to tell you that, occasionally, certain elements of the Philippine media have tended to misuse their vast powers and shirk their responsibilities in reporting the truth. Some of you yourselves have been the first to point this out. You have your own organizations—like the Philippine Press Institute and the Kapisanan ng mga Broadcaster sa Pilipinas—that regularly review your work and hear complaints from the public.

To speak of this here is not to scold; it is only to remind that the media cannot afford to be passive before the shortcomings of some of its members. That the effort to raise standards must be a constant goal—for only by such an effort will our citizens and foreign friends know what is happening in the country and therefore be in a better position to appreciate our overall condition and to make proper choices in life.

As a society with a long journalistic and democratic tradition, we ought to guard against the recurrence of the time when we figuratively went berserk over the Flor Contemplacion affair, which, as many of you will remember, was largely fueled by frenzy in media reportage and commentary.

### **Guarding against demagoguery**

As a society where journalists enjoy considerable influence and celebrity rivaled only by our entertainment stars, we ought to guard against the kind of demagoguery that sometimes disfigures the discussion of public issues—as when we demonize a rise in oil prices or the introduction of a new tax. In a situation where crude-oil prices are rising abroad, Government cannot after all hold the line against raising fuel prices at home without engendering worse fiscal problems in the process—to the prejudice of the taxpayers in general.

And as a society that must confront many ills through its public institutions, we need always to remember the difference between ensuring those institutions from collapse and lambasting their officers and men for their failures. Confusion over this has sometimes happened in the media when we have had to confront lapses in the work of the police with respect to crime, or those of the judiciary with respect to the administration of justice, or those of the executive and the legislature with respect to the making and implementation of laws.

The role of watchdog of government and society is an indispensable service of the media. But it serves best by remembering always the moral lesson for the media—and, for that matter, for all of us—whether institutions, officials, concerned citizens or Rotary members. We all must ceaselessly review and criticize our own work in order to do better.

As one of your own has aptly observed: “The failure to inform the public better is the evasion of press responsibility; and the failure to educate and elevate the public taste is an abuse of journalism’s freedom.”

The Rotary Awards for Journalism focus their attention mainly on public-affairs journalism. But today, much of the attention of our media is devoted to entertainment and other interests—services as vital to the public. Of late, as we have seen in letters to the editors and opinion columns, many more are complaining about the debasement of popular taste—especially in entertainment.

We cannot call for excellence in public-affairs journalism and accept mediocrity in the other. We must do better on both fronts.

I underscore this point because I believe we are living in a time of opportunity in our country when the media, no less than the other sectors, can strive to do something greater and finer in their service to society.

### **A larger horizon of possibilities**

Today, and perhaps as never before, we are a nation that is growing in our sense of union and purpose. We have a larger horizon of national possibilities which, in earlier years, we could only dream of.

Consider this. Five years ago, we were billed all over the world as “the sick man of Asia.” And we accepted that label as just and fitting. But today we are finally moving forward as a nation. And we can even believe now that we have a tiger in our tank.

Just eleven years ago we were a nation in the grip of strongman rule. But today we are again a functioning and thriving democracy—the showcase for the beneficence of democracy and freedom in this dynamic and highly competitive region of the Asia-Pacific.

And just a year ago, we were a land racked by separatist and factional conflicts that pitted brother against brother. Today we see many of these conflicts resolved and replaced by cooperation. Most of our disaffected brethren have returned to the fold and made common cause with us of the mainstream in the engineering of development. For the first time, Christians, Muslims and indigenous communities in southern Philippines see themselves as teammates—not as adversaries in the common fight against poverty and social inequity.

### **Keeping our heads in a storm**

These changes in national life provide us with an enduring foundation upon which to build a future that can sustain us and make us all proud. And we can do this if the Government, our social institutions and the media pull together in strengthening the nation and in enriching our common life.

In saying this, I do not suggest by any means that the media should sacrifice their hard-earned freedom for the sake of collective goals. I mean merely to propose that the media must seize the opportunity to serve as a vehicle for

objective public enlightenment, and to exercise its power for public leadership because like it or not the media guide us in the choices we make in our personal and public lives.

If journalism cannot keep its head during a stormy time, we can scarcely hope to see our citizens keep theirs.

If journalism cannot provide enlightenment during a period of crisis or confusion, we can scarcely hope to see our people and our institutions find their way through the thickets of difficulty.

And if journalism cannot steer during times of opportunity we can scarcely hope to see our civic, political and business leaders provide sterling leadership to our people.

The sense of living in one world community has immeasurably expanded the range of concerns that must occupy our public life. Competitiveness in the global economy is not a matter of choice; it is an imperative for national survival. We must be engaged in the world, or be left behind.

In my view, this imposes on our journalism a much greater function than it used to embrace—on broadcasting no less than on print. It must possess a world view no less than a feeling for national identity.

Today, we are entering a period of transition when once again we will be witnessing the majestic transfer of the reins of government from one administration to another. During this change of leadership, all of us want to see that the momentum of economic advancement and social progress will continue, that the engine of development will remain in good shape, and that we will secure an even greater place in the family of nations.

### **Choosing among alternative futures**

In a general way, all parties and all candidates want the same for the nation. But in the real world, we all know that leaders and political parties are not alike. And there are alternative futures before us. We cannot be passive in the search for the right kind of leadership that will take us competitively into the 21st century.

That search cannot be easy, but it will be infinitely more difficult if the media do not take on the responsibility of leading in the sober discussion of public issues and the weighing of public choices. Were journalism to depend solely on the self-serving statements and gimmickry of eager-beaver politicians, this forthcoming political exercise could lead us back into the pit of public paralysis, disunity and stagnation.

One of the greatest journalists, Walter Lippmann, saw journalism as a kind of searchlight that guided societies in their quest of the future, in the same way that a lighthouse guides ships in navigating their way through dangerous water.

Today in our search for leadership that will sustain—not just in the Presidency, but also in the legislature, in Local Governments, in the judiciary and in the private business sector—our people need the media to provide them light in understanding the issues and in weighing the credentials of those who seek to lead them.

### **A mirror for the nation**

This is a power that Philippine journalism enjoys today more than it ever did in the past, because today our media—with their unparalleled reach and influence—are truly the mirror through which the nation sees itself. The range of the media has expanded into realms they did not touch before. And the capacity to form public opinion—given the new technology—has reached a level never before reached.

In presenting these journalism awards to our awardees here today, we therefore also express the prayer that Philippine journalism will measure up to these challenges of a new time.

We pray that the spirit that has kept us free will also make us wise. And we hope that the freedom of the press we jealously protect will in turn guard the lasting progress of the nation.

*Source:* **Presidential Museum and Library**

Ramos, F. V. (1997). *Leadership for the 21st century : our labors today will shape our country's future*. [Manila] : Friends of Steady Eddie.

**Speech of President Ramos to the Philippine Constitution Association in observance of Constitution Day**

**Speech  
of  
His Excellency Fidel V. Ramos  
President of the Philippines  
To the Philippine Constitution Association in observance of Constitution Day**

[Delivered at the Grand Ballroom, Century Park Hotel, Manila, February 8, 1997]

**A charter for the 21st century**

TEN YEARS ago, our people ratified the 1987 Constitution—affirming it as the embodiment of their political ideals and aspirations.

A decade may be too short a period in a Constitution's history to claim perfection for its purposes—but whether it is too short or long enough, let me begin by pointing out the debt we Filipinos owe the 1987 Constitution and those who wrote it. For this Charter has held our political community together through a time of troubles. And our soldiers and policemen have consecrated this Constitution with their blood—by giving up their lives in its defense—against coup attempts, insurgencies and separatism.

**The Constitution as a living instrument**

These past 10 years have been—for us—extraordinary years. They have tested our collective resolve—our will as a people to stand up for our civil liberties. In our darkest hours over this past decade—and there have been quite a few—this Charter has lighted our way back to peace, stability and development.

Over these hundred years of our life as a self-conscious Filipino nation, four constitutions—those of 1899, 1935, 1973 and 1987—have successively established and organized our political community.

As your President, I am delighted to join the Philippine Constitution Association in honoring here tonight all those wise men and women—living or dead—who had taken part in writing those Constitutions.

That a constitution is an extraordinary document is among democracy's most basic beliefs—and for good reason.

Unlike all other man-made laws, which government creates to regulate the conduct of men and their relations to one another, and to the state, a constitution is the law which creates and regulates government itself.

As the seventeenth-century English political philosopher Thomas Hobbes says, "The fundamental law in every commonwealth is that which being taken away the commonwealth fails and is utterly dissolved."

This democratic faith warns us—rightly—against any capricious tinkering with the Constitution. But we also have warning, from other sources, that we should not allow a constitution to restrain a political community in a legal straitjacket—rendering it unable to respond to changing reality.

In Thomas Jefferson's words, we should not treat a constitution "with sanctimonious reverence, as too sacred to be touched and beyond amendment or replacement."

**Every constitution is a mirror of its time**

The fact is that change is inherent in any constitution. Because each constitution embodies the circumstance and purpose of the political community it establishes—during a specific political period. As President Aguinaldo said of the Malolos Constitution, each charter is the “mirror” of the political culture of its time.

With the 1987 Constitution as guide, the Ramos Administration has restored stability to national society—by persuading armed dissidents fighting the State to rejoin civil society and to take part in the collective effort to lift up the common life.

We are using the same Constitution to achieve self-sustaining economic growth and long-delayed social, electoral, political and administrative reforms.

Guided by the Charter’s egalitarian principles, we are carrying out a Social Reform Agenda to ensure the more-equitable sharing of the fruits of development and to provide for the minimum basic needs of the Filipino poor.

And, in obedience to its mandate, we are opening up opportunities for full people empowerment—by giving concrete support to the endeavors of non-Government organizations, cooperatives, other people’s organizations, families and concerned citizens.

### **The changing purposes of the political community**

Throughout this historical period, the Ramos Administration has been acutely aware that the Constitution is a living instrument of our people’s collective will and purpose.

And we submit that people’s purposes change as their circumstances change and, likewise, that the priorities of the political community change, to suit changing reality.

Also subject to the reality of change is the very standard of legality—as the political community expands the reach of its ethical dimensions. Even an unwritten constitution—such as that of the British—which is the product of custom, grows and is altered with the change of custom.

The modern reality of the knowledge highway and information technology has indeed expanded the interests of nations and the reach of peoples.

Much as the house of the Filipino nation is constantly being rebuilt, so must its charter change—to suit new needs, new circumstances, new goals, new hopes.

How does a constitution change? We all know the formal processes by which ours may be amended, revised or replaced.

But most constitutions are altered more informally, more subtly and more readily—by judicial interpretation of their provisions in a manner that accords with the political and social climate of the time.

This problem of adapting the charter to the prevailing political and social environment has been brought forcefully to our concern by the recent decision of the Supreme Court on the privatization of the Manila Hotel. The most casual canvass of editorial commentary and column analysis on this issue will tell us that the High Tribunal’s decision goes against the grain of informed opinion.

### **The pitfalls off protectionism**

The circumstances of the controversy are well known. Let me just say this—I believe the main dissenting opinion summed up precisely what is at issue when it pointed out “that the second paragraph of Section 10, Article 12 of the Constitution is *pro-Filipino but not anti-alien*”; and that the framers of the 1987 Charter wisely left the degree of the



right of preference that would be given to qualified Filipinos to the discretion of political policymakers—for them to adjust “as time dictates and circumstances warrant.”

I have clearly stated, and I say it again, that I respect the decision of the High Court—and my Administration will honor it unequivocally. But I regret that, in deciding on the Manila Hotel case in the way it did, the Supreme Court majority has given the outmoded and failed economic theory of protectionism a new lease on life in this country.

Too much is at stake—our war against poverty and long-range campaign for sustainable development, no less, for the President of the Republic to remain unconcerned about this happening. And so—I speak.

Ironically enough, we in the Philippines were left behind East Asia’s growth precisely because we tried to protect our industries from foreign competition, and barricaded ourselves in isolation behind the false comfort of the closed market.

We mistakenly equated political nationalism with economic self-sufficiency, and lost two decades of opportunity.

Only now are we beginning to realize that we must join the mainstream of global commerce if we are not to return to the condition of “sick man of Asia.”

Only now are we beginning to realize that we must take part in the vigorous life of the Asia-Pacific economies.

Only now are we beginning to realize that our sustainable development depends on our faith in ourselves—in the competitiveness of our industries, in the productivity of our work-people and in the strategic advantage of our central location astride two great oceans of global commerce.

And this is why the Ramos Presidency has been engaged—these past five years—in a great effort to open up our economy to free-market forces and to spur the competitiveness of our industry, agriculture and service sectors.

This entire strategy—which has until now worked so well—the recent Supreme Court decision on the Manila Hotel has jeopardized.

### **Cooperation: the spirit of checks and balances**

Right now, our urgent need is to mitigate the effect of this ruling on our privatization program and on our effort to attract foreign investment. Government must respond to the doubts the ruling has raised—within the international and domestic business communities—about the integrity of our bidding process.

It is the conventional wisdom all around the world that to generate jobs, create opportunities for livelihood and to speed up development in poorer countries such as ours, one must bring in foreign investments and encourage the private sector to engage in joint ventures with Government where massive financial investments are necessary. This is the basic rationale behind our privatization efforts.

And doing so is particularly crucial for our country—since our own savings rate is so low, compared with those of our more dynamic neighbors.

Clearly, the three branches of government must reexamine their proper relationship under the republican doctrine of checks and balances.

Our traditional view in this country has been that of executive, legislature and judiciary in competition—frequently, in opposition—for political power and authority.

My own view is different. I believe that, under a constitutional government, presidents, lawmakers and justices share political power and authority.

The real power they hold individually and corporately is always limited. Their overall authority, however, becomes much more potent and effective only when they work in concert—when they (the three branches) remember that they are—always—only parts of a constitutional whole.

### **Dangers of an intrusive Supreme Court**

I have firmly believed that the doctrine of separation of powers delimits the power of each branch of government within its own sphere of expertise and competence. And matters bearing on policymaking and economic development are inherently a joint legislative-executive function and not a judicial function.

To my mind, even a liberal view of the Supreme Court's "expanded jurisdiction" under Article 8, Section 1 of the 1987 Constitution does not justify its imposition of its own economic perspectives upon the other branches of government.

I share the view of Judge Learned Hand, who believed that a political system's capacity to endure depends on the exercise of judicial restraint—which preserves the constitutional allocation of powers by the exercise of respect of the unique function of the courts by the courts themselves.

Let me quote from a 1993 study by two young Filipino lawyers on "The Economic Policy-determining Functions of the Supreme Court in Times of National Crisis":

"If there would be any source that would cause detrimental inconvenience to the formulation of uniform policy, no other body by virtue of its constitutional powers would be more damaging than an intrusive Supreme Court.

"Decisions rendered by a politically non-accountable tribunal have the inherent quality of being beyond immediate correction. . . ."

### **Pole-vaulting into the new century**

Let me now sum up. My argument here is simple and straightforward, but beyond and above the specific issue of term extension or reelection of the President (which I do not support). A democracy requires a vigorous and continuing self-assessment of the constitutional principles on which it stands. It cannot confine itself to the orthodoxies of any period. And right now, our greatest need is for a constitution that will respond to our political community's needs as we strive to fast-track the modernization of our country.

We need a charter that will enable us to pole-vault into the 21st century.

Over these five past years we Filipinos have accomplished a great deal. And we are holding our heads high in the community of nations, having regained their respect. But there is a great deal more of hard work we must do.

Measured against those of our progressive vigorous neighbors, our economy still lags badly in most of the indices of modernization, especially in the incidence of poverty. And among our people we have yet to build up enough social responsibility to start off the tradition of civility and teamwork in our public life.

The international media may praise our country for its democratic development. But you and I know the kind of "democracy" we have is still far from the democracy we aspire to put in place in order that our people may win the future.

In the economy, the oligarchy is clearly still in charge, even if a broader middle class is emerging. Many business sectors are still cartelized in spite of the breakup of many large monopolies in the wake of the deregulation of

banking, telecommunications and transport. And many of our business-people still incline toward speculative investments that do little long-term good for the economy as a whole.

And, in national politics—even in the midst of crisis—wannabes and kingmakers still play their little games of one-upmanship.

In 1890 Rizal, envisioning “The Philippines a Century Hence,” saw, as decreed by fate, the advancement and ethical progress of this country. In our time I, as your President, see Government’s duty as that of fulfilling this heroic vision—of a Philippines where people, under God, can live together: in freedom, dignity and prosperity; in one nation at one with the world.

### **Global competitiveness for our country**

I see Government’s mission—over the foreseeable future—as that of attaining global competitiveness for our country and empowerment in the fullest sense for our people.

In this effort, we must take every advantage of our archipelagic configuration and our strategic location—using our synergy of islands, people, natural resources and surrounding seas—to make this country a more efficient creator of wealth.

And we must begin by reviewing all our political and economic institutions—to ensure they are responsive to the requirements of the new century.

A key lesson from our experience is that reform must be conceptualized and carried out as a holistic system. The economy, public administration, politics, elections and civil society are all interlocked: what happens in one sector affects all the others.

We cannot reform one sector without affecting the others almost simultaneously. All must reform together.

Over these past five years, we have accomplished a great deal because we—the people and Government—have pulled together. And, I daresay Government has merited popular support because it has always tried to keep on the side of what is right and proper, even if sometimes unpopular.

Let me assure you that the Ramos Administration will always interpret the Constitution on the side of the good—and in the public interest. Only by so doing can Government justify its call for national unity—its challenge for everyone to work together for the greater good of the Filipino nation.

### **Building a new home for the nation**

To rekindle the spirit of nationalism and democracy in our people’s hearts, I have declared 1997 as “Constitution Awareness Year.” I am placing the activities and celebrations of this special year under the auspices of Philconsa—this organization.

I enjoin all of you here to help in the campaign to raise our people’s awareness of their rights and duties as citizens; and to ensure that our constitutional ideals remain strong and relevant as our country enters the 21st century.

We Filipinos cannot be satisfied with merely repairing the house of the nation—because the real task now is to build a new home for the Filipino nation in the 21st century.

A hundred years ago, Rizal dreamt of a free and prosperous Philippines. Today, our task as a people is to lay the foundations of a renewed Filipino nation that will endure through the new century—and the new millennium.

*Source:* **Presidential Museum and Library**

Ramos, F. V. (1997). *Leadership for the 21st century : our labors today will shape our country's future*. [Manila] : Friends of Steady Eddie.

**NATIONAL GOVERNMENT PORTAL – EDITED AT THE OFFICE OF THE PRESIDENT OF THE PHILIPPINES UNDER COMMONWEALTH ACT NO. 638**

**Speech of President Ramos to the Economist Intelligence Unit Roundtable with the Government of the Philippines**

**Speech  
of  
His Excellency Fidel V. Ramos  
President of the Philippines  
To the Economist Intelligence Unit Roundtable with the Government of the Philippines**

[Delivered at the Shangri-La Edsa Plaza Hotel, February 19, 1997]

**Reforms  
beyond my term**

**will**

**endure**

I HAVE LOST count of the number of roundtables and conferences that Peter Wallace and the Economist Intelligence Unit have organized in order to bring our country to the attention of the international business community. But I can tell you that we Filipinos—and I personally—treasure these meetings and the investor interest that they have produced for our country.

Today, however, a slightly different act is in order. For we meet in the wake of recent developments in our country that have caught international attention, and on the eve of a time of transition that excites much concern here at home and abroad.

These issues fall squarely into your top concern—whether there will be policy continuity and consistency in the Philippines after the national elections next year.

**The durability of reform**

In the advanced democracies, transition processes and personalities do not trigger much anxiety—the sense of policy consensus being strong and stable to adapt to changes of administrations. In our case, the concern is understandable, because we are facing for the first time international and domestic questioning about the durability of the reforms we have put in place over the last four and a half years.

Nothing that has happened in recent weeks should cause us to doubt that the reforms and the policies will endure beyond my term, which ends on June 30, 1998—because these are embedded in the laws.

I can assure you now that neither our liberalization programs nor our drive toward modernization has sustained a mortal blow to their continued implementation. What mainly concerns me most in the remaining months of my term is to achieve the completion of the basic policy structure—of which a few missing parts remain.

As we make our way through this time of debate in our country, I ask you only to have faith in the vitality of Philippine democracy. We have not come this far only to allow the reversal of the liberalization and democratic reforms that brought us to where we are today.

**A people tested by adversity**

We are a people tested in the crucible of crisis and adversity. And we will surely rise from this period renewed in our culture and capacity with a democracy fortified in its economic, social and political aspects.

When we look to the future, therefore, you may rest secure that the Philippines will remain an open economy and a functioning democracy. You have our assurance of our commitment to the time-tested principle of “a government of laws, and not of men.”

Fears that a new administration could mean a different Philippines in which to do business have no basis—because our policies, plans and programs are founded on a strong framework of law. The national momentum behind our modernization program will continue after the elections next year. There will be changes, yes, in our officialdom and in the emphasis some may give certain programs. But the basic thrust, I am confident, will remain. For surely our people will not give their support to any party or candidate that stands on the opposite side of reform and change.

Some people may veer a little or move slower, but most Filipinos believe that an open economy works. And is the way to go. Let's face it. We have proved it in the economic success we have achieved—even in the face of the great crises of the early nineties.

As to infrastructure, do we care about it? Does a doctor care about his patients? A lawyer about his clients?

Anyway, the point I am making is that, as a civil engineer, I know that civil engineers care about their projects (they care about being civil too). I have a professional, official and personal interest in seeing to it that infrastructure is developed—and in getting it done. That is why a lot has been done.

In the past four years we have spent more than US\$24.7 billion on infrastructure and utilities. This includes both Government funds and the huge level of private-sector involvement and assistance we have been able to get. Our efforts through privatization and the build-operate-transfer scheme have been praised as among the best and the most successful in our Asia-Pacific region.

### **Privatization will work here**

For instance, I am confident that by the time the judicial review is over, the MWSS privatization program will push through. The people of Metro Manila, Rizal, Cavite and Laguna can look forward to better and cheaper water and sewerage services from the private sector. Privatization has worked in many sectors of national life. It will work here too.

Understandably, we have a lot of catching up to do in this sector because of the years of neglect. You look around and see inadequate roads, too few telephones, antiquated ports and overburdened airports and so on. What perhaps you do not see is just how much change there has been in four short years, and how much is beyond the drawing boards or is even being initiated now.

Overall we have today an excellent environment for business. Those who are already engaged here can testify to this. The policies are in place. We have the human resources to back you up. And even our bureaucracy is moving in pace.

It is a basic law of business: if you can make a profit, you will come. And we would like you to.

We need to create more than a million jobs every year. (Last year, we created 1.7 million and brought unemployment and underemployment down to their lowest level in decades.) And we need to expand our economy, widen its base, strengthen it, modernize it. All of which you can help us do.

### **The opportunity in technology**

As we move into the 21st century, one prime opportunity is in technology. Information technology will be the front-runner of industry in the next few years and we intend to be at the forefront of that sector and the enterprises associated with it.

Already, as you know, electronics is our biggest product export. We would like software to be our biggest service export. This is why we support the United States in its call to remove the tariff barriers for computers and related products and services.

We also see hardware purely as a tool, just as a hammer is for a carpenter. A tool that can be used to create wealth far more than the value of the tool itself.

We have the skills, the language capability, the strategic geographic location and, soon, the infrastructure.

Which is not to say we will not support other industries. If you want to take widgets, that's fine too. We will help you. We need widgets, too. At least I suppose we do.

Which finally brings me to your concerns about peace and order. The peace process on all three fronts is moving even better than the economy itself.

With regard to crime, we are well aware of our reputation—and not very happy about it. But much improvement has been made over these past four and a half years, especially in the integration of the five pillars of our criminal justice system. Annually, the crime rate has been going down. We are not passive before our shortcomings. And we will not stop until we become a truly safe and stable society ranking with the best in the world—though without sacrificing our liberties and openness.

### **Bringing the world to our doorstep**

Let me close by saying that I believe we have much, much more to offer investors than we had five years ago. I appeal to the faith of many among you that the Ramos Administration could finally succeed in turning our country around. Today we can match your faith with our legitimate achievements as a nation.

The Philippines is proving that democracy and development can complement each other, and give birth to an economy as vibrant as those created by other means.

I would like to think that your presence here already indicates that you share our faith in our future. Whatever we can do to reinforce that interest, tell us and we will go out of our way to prove our sincerity in wanting to bring the world to our doorstep and ourselves into the world.

*Source:* **Presidential Museum and Library**

Ramos, F. V. (1997). *Leadership for the 21st century : our labors today will shape our country's future*. [Manila] : Friends of Steady Eddie.

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**Speech of President Ramos at the First Congress on Information Technology and Telecommunications Education**

**Speech  
of  
His Excellency Fidel V. Ramos  
President of the Philippines  
At the First Congress on Information Technology and Telecommunications Education**

[Delivered at the Heroes Hall, Malacañang, February 20, 1997]

**Taking  
into our own hands**

**the**

**future**

AMONG THE MANY meetings I have recently attended and addressed, I have little doubt that this one will bear the most significant impact on how Filipinos think, live and work in the next century

I do not think I am exaggerating when I say that few forces—political, economic or cultural—have shaped the world of the late 20th century as much as information technology (I.T.).

From a revolution in the computer laboratory, it has generated other revolutions in communications, education, entertainment, business and science. Indeed no field of knowledge has grown so much over the past decade as I.T.

**An end to computer illiteracy**

Where—ten years ago—many Filipinos may have looked upon computers as expensive toys or gadgets, today they loom as absolute necessities for the next generation of Filipinos to employ and to master.

And we will not be waiting long to feel this need acutely. I predict that within another decade, there can be no such thing as a computer-illiterate Filipino professional or student—unless we wish to be left behind in this century, while our neighbors march forward into the next.

As you probably know, I have always been a firm believer in—and an avid user of—information technology. Properly used, I.T. simplifies, speeds up and improves the quality of government immensely. It enables me to make better informed decisions; to evaluate more sharply defined alternatives; and to reach out at once to broader audiences and constituencies.

I realize, however, that much remains to be done to spread the benefits and the opportunities of this technology to the masses of our people. For most Filipinos, computers and communications devices remain prohibitively expensive appliances.

Nevertheless, we can less afford to neglect or to forgo I.T. than we can afford to bring it into the mainstream of Filipino life.

We have a plan to do exactly that; but beyond distributing hardware, it is equally important that we begin to educate our people on the nature, the uses, the processes and the culture of information technology.

**Pillars of national strength**



This is why we have devoted this First I.T. and Telecom Education Congress into conceiving a national infrastructure for teaching information technology.

And I commend the Department of Education, Culture and Sports, Department of Science and Technology, Commission on Higher Education, Technical Education and Skills Development Authority and other sponsors for putting their heads together in this effort. I take your coming here to mean your readiness to make changes in your own systems if this becomes necessary.

I also commend the New Educational Technologies Foundation for organizing this congress, and the Metro Manila office of the education department for its special support.

We have come far in our program of economic reform and development over the past five years. Today we can proudly claim our place as one of Asia's most dynamic economies.

But beyond economic policy—and for us to stay on course—we must continue investing in the education of our people. Our program for national strengthening affirms this importance. Education (and health) is one of its six pillars, together with peace and security, the economy, the environment, foreign relations and political leadership.

### **New demands on education**

Much is therefore expected from the agencies of Government here—the Department of Education, Culture and Sports, Department of Science and Technology, Commission on Higher Education, and Technical Education and Skills Development Authority. They are responsible for one of the pillars of our national strengthening.

On the whole, we must recognize that new demands are being placed on education by our economic growth, by our society's needs and by our governing philosophy.

Education must begin from a view about what is needed to improve the life of the Filipino. Like other countries, we have adopted an economic order that views fair competition as the means for development and for promoting social well-being. This explains our insistence on a level playing field in the economy. Thus we have stopped invoking special privileges, special relations and other reasons when we transact business with other countries.

We are prepared to stand or fall depending on the quality of our work, products and services. Today the only acceptable measure of success is quality. We cannot shirk the challenge of quality if we wish to be globally competitive.

But the striving for excellence also serves a salutary social purpose—it encourages a culture of growth, it promotes well-being. Competition that is free and fair will cultivate excellence, and excellence can become one of a modernizing society's and a modernizing economy's strongest attributes.

The culture of competition demands special tools that will help us compete better. Thus we must look for, acquire, improve, and distribute such tools.

Today LT. is one of mankind's most useful tools for doing things very well. LT. is being applied in increasingly more areas of human affairs. The technology is continuously being improved and more and more people gain access to its many forms and functions every day.

This is why we are calling on LT. to help in our development. We see information technology as a means to be globally competitive and to empower our people.

### **A National Information Technology Plan**

We have found several ways of realizing this. We have approved a National Information Technology Plan (NTIP 2000) to help us achieve our strategic vision of “Philippines 2000.” The objective of the plan is to diffuse LT. in our society, and one of its main elements is education. Accordingly, education is represented in the body that carries out the plan—the National Information Technology Council. We have given priority to connecting us to the world information superhighway, which is being widely used for educational purposes.

I directed the Department of Education, Culture and Sports, the Commission on Higher Education and the Technical Education and Skills Development Authority in 1995 to reorient their educational curricula in order to give more emphasis to LT. and other information-based programs.

Every year, the Department of Science and Technology (DOST) allots slots for LT. in DOST-implemented scholarship programs such as DOST-SEI undergraduate program, Science and Technology Scholarship Act of 1994 and the engineering and science education program.

Let me just emphasize some of the reasons why we must use LT. in education as a means for national strengthening.

One reason is strategic. To do business in the world marketplace, we need LT. As I told the LT. Summit in 1995, LT. is our bridge to the future. Your work of teaching LT. is vital for us to know how to cross the bridge. We cannot continue using barangay roads to transport information, when even schoolchildren in many countries can use the Internet for that purpose. But we need more than a highway. We need a workforce that knows how to use it productively.

Another reason stems from the nature of our population. About 45 percent of our people are below 15 years of age—too young to work—as opposed to about 15 percent in developed countries.

This means that the work of one Filipino adult in supporting one Filipino child through school is being done by three adults in developed countries. This means that the Filipino teacher needs more technological support to do his or her job effectively.

The same is true for the Filipino as a worker who needs to be more competent so that he or she will profit from his labors wherever he or she might be.

### **Information technology in the classroom**

Another reason is empirical. Using I.T. in the classroom is not a new idea. The technology has been tried very extensively in many countries, and the results have been very encouraging.

This is why it is crucial that the P675 million which we have appropriated in our 1996 national budget for computer education in public high schools, State colleges and universities and some private schools be used well.

And by this I certainly do not mean that we should go out on a computer-buying spree. The NTTP 2000 has many aspects apart from this, and they should all be studied and carried out faithfully.

No institution can replace the school in diffusing I.T. effectively, for the school is the only institution which the State has created that can reach every Filipino home. And we know how important the instructional process is for I.T. diffusion.

Therefore, I expect you to design an infrastructure for teaching I.T. in our schools. By infrastructure I do not mean a new facility, an office, a mechanism, a committee, or an organization. I mean a total system of ideas, processes, people and plans that will effectively support the use of I.T. in the classroom.

This system must be mass-based to serve the purpose of I.T. diffusion. It should use the private sector to take advantage of its drive and experience. It must be national, in recognition of the needs of all regions and the role of both public and private schools.

This infrastructure must be built upon the realities of our communities, classrooms and teachers today so that we are not simply carried away by the high-tech aspects and qualities of I.T.

But it must have the support of research and development centers, higher educational institutions and technical bodies to guarantee instructional adequacy.

## **12 elements of success**

To succeed, it should bring together the following elements:

- 1) Centers for training teachers from both Government and private schools;
- 2) A network of specialists and trainers for teaching I.T. literacy and LT.-based methods, from both public and private sectors;
- 3) A network of sources of instructional materials for both students and teachers;
- 4) Student teaching laboratories—hardware and software and facilities;
- 5) A system of maintaining equipment;
- 6) A network of public and private teacher training institutions with major fields on the use of I.T. in the classroom. This will be the continuing source of new I.T. teachers;
- 7) Scholarship programs for those who will major in I.T. in public and private colleges and universities;
- 8) Research and development centers to address the problems of cost-effectiveness, relevance and currency of instructional approaches. This is a role for teacher training institutions and special R&D centers in Government agencies;
- 9) School managers who will plan, manage and evaluate the use of LT. solutions in the classroom;
- 10) Sources of affordable computers and other needed hardware;
- 11) Cheap Internet connectivity, for student hands-on experience; and
- 12) Linkages with the private sector. Of special value are computer educators whose experiences are vast and rich. We should do all we can to enlist them as partners. Whatever funds we have now should be used to lay the foundations of a national infrastructure for teaching LT. The system can grow with time and more funds. But you should lay the foundations now so that you will be more able and prepared, as more funds become available.

Some senators and congressmen may have some funds you need; persuade them that this is one of the best investments they will ever make in the future of their constituencies.

## **Our legacy to the future**

My friends: you will agree with me that information is now the world's most important resource. It is I.T. that helps us direct and manage this resource. This is the simple but urgent reason why we should learn and use and teach it to others.

As we have been teaching generations of Filipinos how to fish, how to farm, how to use machines in 20th-century factories, the time has come for us to teach them how to take the future's most vital resource into their own hands.

As the statement of the NET Foundation's corporate philosophy puts it, "To make man live in harmony with I.T. and use it productively is now a mission of education."

Let this be our collective mission—our collective legacy to the future generations.

*Source:* **Presidential Museum and Library**

Ramos, F. V. (1997). *Leadership for the 21st century : our labors today will shape our country's future*. [Manila] : Friends of Steady Eddie.

## **Speech of President Ramos during the Philippine Army Centennial Celebration**

### **Speech of His Excellency Fidel V. Ramos President of the Philippines During the Philippine Army Centennial Celebration**

[Delivered at Fort Bonifacio, Makati City, March 22, 1997]

**A  
years of heroism**

**hundred**

WE MUST CONSIDER ourselves fortunate to be here today at this very moment, which is the 100th anniversary of that time in Philippine history when the Philippine Revolutionary Government and the Philippine Army, the precursor of the Armed Forces of the Philippines, were born.

#### **An army born in revolution**

The Philippine Army was born in revolution—hardened in a nationalist war, and tested again and again by rebellion, insurgency and secessionism. Today, in marking its formal founding at Tejeros, Cavite, on March 22, 1897, we commemorate one hundred years of heroism—for that is the single best word that one can use to describe the Filipino martial tradition and the Philippine Army.

From here, at Fort Bonifacio, Lieutenant General Mariano, commanding general of the Philippine Army; Defense Secretary de Villa; General Acedera, the Chief of Staff of the Armed Forces, and I will move on to Tejeros in what is now known as Rosario, Cavite, to take part in that centennial celebration—not by horseback as in the old days—but by helicopter.

#### **Generations of warriors**

And then on the 24th of March, some of us will go to Batac, Ilocos Norte, to honor Artemio Ricarte, the first captain general of the Revolutionary Army (which is the equivalent of the Armed Forces' Chief of Staff). As you can see today, therefore, we launch a series of commemorative events that highlight the heroism of that Revolutionary Army, now the Philippine Army and the Armed Forces of the Philippines.

This martial tradition goes back to the generations of warriors beginning with the Mactan chieftain, Lapu-Lapu, who said to all, "I bow to no man, I pledge allegiance only to my people." That is why he is now called the first reservist of the Philippine Army. That should change his reputation, which is sometimes negative in that he is said to be the one who killed the first foreign tourist in the Philippines (Magellan). The heroic tradition also comes from the likes of Andres Bonifacio, the hero of the Katipunan, and carried on by the young general, Gregorio del Pilar, who died—faithful to his duty—at Tirad Pass in the mountains of North Luzon, as rear guard to General Aguinaldo's column, making its way to the First Republic's last capital at Palanan in Isabela.

Today, we recall the ringing names of many other gallant men—including the trench-builder Edilberto Evangelista and the guerrilla commander Miguel Malvar to whose collective memory the Philippine Army can now identify with pride.

At its peak, this army's precursor—the Katipunan—apparently had some 30,000 men—all volunteers, uniformed it is true in their snappy *rayadillo* uniforms, but without formal training, without tactical or strategic expertise, many armed with no more than bolos, still a ragtag army. Nevertheless, it fought and prevailed over a Western army—once the terror of Europe—and won our independence over them.

## **Zapote River turning red**

Our first army had artillery consisting only of *lantakas* and bamboo “cannons” reinforced with wire and timber shoring. But they won because of their belief in their cause, the support of the people, and their spirit of self-sacrifice. Their lives they gave up unstintingly. Indeed, at the battle of Zapote Bridge, an eyewitness reported seeing the waters of the river below turn red with blood—so heavy were the Filipino casualties, which included General Edilberto Evangelista.

And this is the present martial tradition that you and I, the veterans, you the present crop of officers and enlisted personnel, the men and women of the Armed Forces, and of the Philippine Army must now carry on in our time.

I am delighted to note that among the ranks of our awardees today are two women who have shown their bravery and their skills not only in the field of battle but also in the field of governance. I am alluding to Mayor Lita Nuñez of our grand city of General Santos in the South (who is in her combat uniform) who is being decorated for acts of bravery and gallantry deserving of the Bronze Cross. *Alam ko ang katapangan ni Lita Nuñez. Iyan ay ilang beses tinapunan ng granada sa plataporma doon sa General Santos, ngunit hindi siya tumakbo. Kanyang inalagaan muna ang mga patay at mga sugatan na kanyang mga tauhan at mga kasama.*

## **A new struggle against poverty**

And the other awardee is none other than the youngest female governor in Philippine history, Governor of Agusan del Norte Rosedel Amante, for her discipline and for her determination in bringing development to the Caraga region (she is the chairperson of its regional development council). Because of this, Caraga is now picking up from its old history of insurgency and backwardness into a brighter regional growth area.

Every generation of Filipinos must fight for freedom and independence in its own time. Fortunately, your generation’s time is a time of peace—both here at home and in the larger Asia-Pacific region of which we are part. Today, our country calls you—the officers and the enlisted personnel and the civilian employees of the Philippine Army and of the Armed Forces—not just to die for the country—but more than that, to live for it.

Today our country’s struggle for freedom takes on another form: freedom from want, freedom from economic insecurity, freedom from injustice, freedom to live our lives to the utmost of our possibilities.

In this struggle, it is not an armed adversary that we must confront—but economic deprivation or poverty, ignorance, criminality, corruption, divisiveness and injustice.

Our greatest need today is still political stability. For civil order is the foundation of economic development and social cohesion in our time. And this stability only our Armed Forces can underwrite for our country.

Our first imperative is to establish lasting peace here at home—so that we can work harmoniously as a nation and attend to the basic needs of our people without undue interruption and disturbance. Wars in our time are best fought no longer in the field—but in the field of the classrooms, research laboratories, factories, farms and our backward communities.

## **Social equity is the key**

And in consonance with these challenges, our Army must not only modernize its equipment and its weaponry. It must also develop highly-skilled soldiers, and well-motivated commanders with a national orientation and a global outlook.

You, my beloved countrymen and countrywomen, can depend on our Government to take the lead in sustaining and developing our economic viability and competitiveness as a nation. In a world more interdependent than it has ever been, I am therefore firmly convinced, as your President and commander in chief, that economic development with

social equity is the key not only to the progress and well-being of our nation but also to the peace and stability of our Asia-Pacific region. In our time, economic power equates with national security, stability and public welfare.

That is why the Ramos Administration considers national security dependent on our political stability, on our economic strength and on our social cohesion as a people. And that is why we have embarked on a program to liberalize, democratize, deregulate and decentralize key sectors of our economy. We have also started looking at cooperativism and entrepreneurship as crucial factors in attaining competitiveness in agriculture and industry.

### **Strategies for growth and development**

Over and above these social and economic reform measures, we have also embarked on a huge infrastructure program in power generation, highways improvement, seaports, airports and telecommunications—with a significant participation of the private, domestic and foreign sectors—through an expanded Build-Operate-Transfer scheme and similar programs.

All over the country, we have opened areas for foreign investment and enterprise. And these include the vast and excellently developed Subic Bay area, the Clark Complex, the CALABARZON subregion, Cebu-Mactan, and the entire island of Mindanao, which is rich in both natural and human resources and is a strategic transshipment point.

All these give us much reason to hope that early in the next century, our country can complete its economic and technological modernization and substantially reduce poverty. This is our shared vision of “Philippines 2000”—your battle cry and mine since 1992.

And so, on this modern battleground, this Army must continue exploring all its opportunities to help bring our country to its desired goals of social reform, political maturity and sustainable economic development. It is in this context that your anniversary theme—“*Hukbong Katihan ng Pilipinas: Isang Daang Taong Kaakibat sa Kapayapaan at Kaunlaran*”—acquires meaning and significance.

*Iyan ang hamon sa inyo, mga taga-Philippine Army! Ang hamon sa inyo ay kaya ba ninyo ito? Kaya ba nating mga Pinoy?*

In an emerging country like ours, the army is of great social and economic significance. In the diverse ethnic origins of its officers and men and women, it is instantly a symbol and an institution of national unity.

And the army is a catalyst for change—an agent of modernization. In its order and discipline, it stands for the civic virtues necessary for the survival and the development of a new nation.

### **Battleground of modernity**

Over the past year, our Armed Forces has concentrated on two primary objectives. The first is to contain armed threats to our national society. And the second is to fast-track its reorientation, and redirection toward greater effectiveness, efficiency and service in the national interest and our people’s well-being.

I am told that in 1996, this Army neutralized—meaning killed, captured, wounded or somehow put under Government control—more than 1,400 individuals belonging to various threat groups and recovered more than 1,200 illegally possessed firearms. At the same time, the intensification of the peace initiative in Mindanao restored civil order to dozens of barangays previously classified as critical.

And complementing these operations in internal security operations is its new focus on community development, described to us just now by General Mariano. But among others, Army teams set up 124 cooperatives, and established 42 micro-forests with the planting of more than 600,000 trees, and its literacy patrols conducted more than 700 courses in depressed rural areas. Its engineer corps completed more than 300 kilometers of roads all over the country, and a substantial number of buildings and bunkhouses for lahar victims in Central Luzon.

## **The army of the future**

While carrying out your peacetime duties, you of the Army must prepare yourselves for the conflicts of the future. Today's world is at the threshold of a military revolution—really a new military evolution based on the new technologies of communications, guidance and navigation, and computerization. New weapons and new systems of command, control, communications and computing are revolutionizing the very concept and organizations of armies in the entire world.

The army of the future will be much smaller—much more compact, more professional—more technically expert. Even its organization will be drastically different: command will be more decentralized; task forces or joint forces grouping of ground, naval and air units assisted by Local Government officials will probably be the norm.

And therefore, we must prepare our Armed Forces for this military revolution or evolution—to the best of our ability and to the limit of our means.

So—even as we commemorate the centennial year of the Philippine Army—we must look to the future. We must commit ourselves to the task of building a stable, prosperous and competitive society—because only such a society is our guarantee of security in the world of the 21st century.

The Philippine Army of the future will be needing more “information warriors”—men and women expert in the new systems and in the new cultures of command these weapons will call for.

But the basic military values that you and I, young and old, active and retired, learned here in the Philippine Army and in our Armed Forces will remain: love of country, courage, skill, audacity—self-sacrifice. And with these basic virtues, this Army and this Armed Forces are sufficiently endowed—descending as they do from the heroic officers and men and women of Filipino revolts and revolutions against foreign colonizers of hundreds of years ago.

## **Taking pride in our revolutionary heritage**

In this hundredth year of our Army, therefore, I urge all of you—the officers and enlisted men and women, the regulars and reserves, the veterans and retirees, the active members and their families—to continue setting the example, and serving as the inspiration of responsible citizenship and gallantry for all our countrymen and countrywomen.

Take pride in our revolutionary heritage, and in the heroes' blood that runs in our veins, and in the love of country implanted in our hearts—by that revolutionary army founded in Tejeros, Cavite, by Bonifacio and Aguinaldo a hundred years ago.

*Source:* **Presidential Museum and Library**

Ramos, F. V. (1998). *The continuity of freedom : a democratic and reformist society is our unique competitive advantage*. [Manila] : Friends of Steady Eddie.



**NATIONAL GOVERNMENT PORTAL – EDITED AT THE OFFICE OF THE PRESIDENT OF THE  
PHILIPPINES UNDER COMMONWEALTH ACT NO. 638**

**Speech of President Ramos in Commemoration of the 102nd anniversary of the First Cry for Freedom of the  
Katipunan**

**Speech  
of  
His Excellency Fidel V. Ramos  
President of the Philippines  
In Commemoration of the 102nd anniversary of the First Cry for Freedom of the Katipunan**

[Delivered at Pamitinan Cave, Sitio Wawa, Montalban, Rizal, April 12, 1997]

**From  
into light**

**darkness**

TODAY WE BREAK the customary silence of this deep and brooding cave to commemorate one of the most momentous events in our nation's history, which took place here at Pamitinan 102 years ago.

On this day in 1895—a year before the word “revolution!” would be carried by every patriotic Filipino's voice—an exalted group of eight leaders and members of the Katipunan met in the secrecy of these caverns, and here asserted among themselves the need to revolt in the cause of freedom. But more than affirm this need, they also organized themselves into a fighting force, a society of Filipinos committed to independence.

They chose their symbols—and settled on the letter “K” of the ancient alphabet. In the battles that were to follow, this symbol would be a weapon in itself—a weapon of the mind, a concrete image of what had, for centuries, been a deep but often unspoken longing in the hearts of our indentured people.

**A ritual of commitment**

When we read the accounts of those who attended that historic meeting, we realize that what took place at Pamitinan was, essentially, a ritual—a ritual of commitment, of the full realization of what lay behind them and what lay ahead.

The record says that “after those deliberations, they scribbled on the walls of the cave with a piece of charcoal: ‘*Viva la Independencia de Filipinas!*’ and then signed each of their names.”

One of those present, the playwright Aurelio Tolentino, recalled what happened next: “. . . those humble sons of the soil emerged from that cave with their hearts torn with emotion and their eyes filled with tears as they stood speechless, looking at one another. They foresaw how heavily they would have to pay for the ideal they had created.”

And pay heavily they would, indeed, for no more than two years later, the *Supremo*, Andrés Bonifacio, would fall victim to the inexorable momentum of the revolution, as would many other brave and brilliant men and women. Yet, in the end, the Spanish standard would yield to the new tricolored flag favored by the revolutionaries.

We Filipinos have always appreciated the function and the value of rituals and symbols in our life, such as our heroes designed here at Pamitinan. Rituals and symbols appeal not so much to the stomach as to the spirit; they elevate the common to the scale of the mythic, affirming the existence of a fundamental unity of aspirations and beliefs among peoples of various times and places.

The emotion that swept Bonifacio and his confederates when they emerged from this cave was, as Tolentino himself understood, the awesome realization of their historic role, their self-acknowledged responsibilities.

They had made a pact not only among themselves, not only with their people, but with the freedom-loving revolutionaries of all places and of all times—before and after them—to prove worthy of their aims, to be true to the cause, to live and die with the honor of having served one's people well.

### **A special and historic cave**

And speaking of symbols, it seems very appropriate indeed that our forefathers chose to meet in a cave. Pamitinan, of course, provided them with the secrecy and the security that was crucial at that time to their fledgling cause. And this cave occupies a special place in our folk belief as the haven of Bernardo Carpio, a hero-figure to the downtrodden.

But who cannot help reflecting, at a moment like this, upon another anniversary that we marked just a few weeks ago—that of Easter, of Christ's descent into and emergence from his cavelike tomb, into a glorious rebirth?

Out of this cave our heroes, our earthly redeemers, came—and they spread the word of the new life promised by freedom. From the darkness into the light—literally and symbolically, this has been the story of our quest for a better future in the glow of peace, freedom, prosperity and justice.

Today, our nation has emerged into a new dawning of hopes and opportunities—a second century of freedom and of growth made possible by the vision and the sacrifice of those who preceded us to this cave.

To them, we offer our deepest thanks—and make the same commitment that they did, to liberty, to justice, to a provident life for all Filipinos.

*Source:* **Presidential Museum and Library**

Ramos, F. V. (1998). *The continuity of freedom : a democratic and reformist society is our unique competitive advantage*. [Manila] : Friends of Steady Eddie.

**NATIONAL GOVERNMENT PORTAL – EDITED AT THE OFFICE OF THE PRESIDENT OF THE  
PHILIPPINES UNDER COMMONWEALTH ACT NO. 638**

**Speech of President Ramos at the Annual Gridiron Presentation of the National Press Club of the Philippines**

**Speech  
of  
His Excellency Fidel V. Ramos  
President of the Philippines  
At the Annual Gridiron presentation of the National Press Club of the Philippines**

[Delivered at the Fiesta Pavilion, Manila Hotel, Manila, April 21, 1997]

**Like a marriage—  
but much worse**

OF THE MANY QUALITIES that journalism claims for itself, none perhaps is more emphasized than its ability to compress events and reams of copy into column inches.

This is well illustrated in the story of a newspaper editor who was testing an applicant for rewrite man. “All right,” said the editor, “fix this and cut it short.” And he handed the fellow the ten commandments.

The young man gave the copy one glance, stepped over to the desk, took out his pen, quickly scribbled something—and then returned the page to the editor.

Surprised that the applicant worked so fast, the editor looked at the rewritten copy—and then quickly said: “You’re hired.”

The new rewrite man had crossed out all the ten commandments and replaced them with one word: “don’t.”

Talking about new journalists, I wish to let you in on a secret. Our First Lady, Ming, intimated to me that she wants to write a weekly column, preferably to come out on Sundays.

She said that if Hillary Clinton would write a weekly opinion piece, why not she? Ming plans to name her column “Domingo de Ramos,” but she has a small problem—which is the same problem some columnists have. That is, she has difficulty deciding which ghostwriter would write it for her!

**‘A good and original show’**

Watching the Gridiron show tonight, I wished that the producers and the cast had as their editor that young job applicant in our story. Then this year’s offering of “Fit as Fidel” would not have dwelled lengthily and repetitively on my work habits, physical shortcomings, predilections in office, the warts on my face, and my body language. The National Press Club would not have the cheek to suggest that I would want to suffer these Gridiron dinners for six more years after 1998.

In short who would want to undergo more torture from more years of Gridiron roasts? Certainly, not me!

Despite that, I must say that the cast and the scenarios were good and original. Those who were good were not so original; and those who were original were not so good.

When I asked Fred Lobo, the National Press Club president why this long-running show has not improved much after decades of staging, he said: “The Gridiron is an amateur production. It doesn’t mean to be, but it is.”

When I asked him also why the President is always singled out for special roasting and why the NPC doesn’t barbecue the luminaries of the opposition for a change, he told me: ‘Their time will come when they get to Malacañang.’”

Still, I cannot really complain. When I flinched at one of the barbs aimed at me this evening, Ming told me: “Smile, dear. It is not as bad as what they say about you in the newspapers and radio-TV every day.”

### **Three standards for abuse**

And she is right. There are times when I think that in the training of journalists, they are first taught to abuse us government officials and politicians before they are taught how to record accurately what we say and do.

Someone once said that we should judge reporting on political abuse by three measures.

First, writing about abuse in politics must be treated as an art.

Second, reporting on abuse is at its best when it is thoroughly in bad taste.

And finally, stories about abuse should at some stage hint at reality.

Of artistry and bad taste, some of our so-called fearless reporters in the press have in abundance.

It is with the last where our press sometimes has a problem. Some of its members make up stories as though they were writing science fiction.

The other day, one paper reported that Vice President Estrada had a falling out with Danding Cojuangco and the Nationalist People’s Coalition in his bid for the presidency. You can imagine how that lifted the spirits of many presidential candidates. And how they exchanged high fives with their lieutenants over it. But then, the report was denied a day later by the principals.

Even I had to make a denial because the science-fiction writers laid the blame on my door.

I do not mind being called “master of physical fitness,” but being called “master of denial” is something else. I do frequently have to make a denial in order to record what I know to be the truth of the matter.

### **Anonymous sources so called**

One of the most used or abused devices for getting unsubstantiated stories in print is the citation of, or attribution to, supposed sources who provide their piece only on “condition of anonymity.” According to one puzzled foreign ambassador, no press in the world uses more anonymous sources than the Philippine press.

And there is also no press in the world that would publish a whole story about one or one’s organization on the mere say-so of another. I cite as exhibit “A” the recent story on the alleged plans of the Administration party that contained exclusively, believe it or not, the statements of an opposition politician!

It was mainly because of such happenings that the Cabinet, in a purely defensive mood, began last year to prepare Government’s own Gridiron skit—with the press at the receiving end. There would be no difficulty in assembling the cast—even among amateurs such as those in the Cabinet—amateur actors and actresses, that is. And we have our own fiction writers in the Cabinet secretariat.

For instance, chairman Nur Misuari could be asked to play Fred Lobo, although that may require another peace negotiation. Chito Villanueva was considered for the part of Cip Roxas, but Chito chickened out at the last minute because, he said, he does not drink that much. Executive Secretary Torres declined to play Adrian Cristobal, because, Ruben claims, he is more handsome and uses better English.

Bangko Sentral ng Pilipinas Governor Gabby Singson said he is game, but would need heavy makeup to play chairman Emilio Yap. But no one wanted even to talk about playing Max Soliven, although I am reasonably sure someone will eventually volunteer to do it—after all, some members of the Cabinet also love traveling. And several elderly Cabinet men are available who can impersonate Emil Jurado.

So there could be a Government “counter-Gridiron” sooner or later. Are we abandoning the idea? No, of course not. But—*abangan na lang*, because the first unsolicited proponents are still eager to do the project.

Besides, believe it or not, we do have many courageous members of the Cabinet. And I assure you that the “counter-Gridiron” tickets will be 20 percent less than what you were charged tonight.

### **Like a marriage**

With all the complaints about the way the press treats us, however, I must confess that we in Government and in politics cannot live without you of the media. Our relationship is like a marriage—with its storms and stresses, but with many happy moments to enjoy together.

For all that we do to confront or outsmart each other, you in the media cannot live without us, and we in Government cannot live without you. The one time when Government and the press tried a separation—during martial law—we all felt so miserable. Even the incumbent president then had to allow himself to be laughed at once in a while in the press.

We must live with the freedom of the press in our country because we all need it—for our sanity, for our credibility, for our survivability and for many—for their popularity!

A society where the press is entirely controlled or nonexistent would be intolerable—as even the former Soviet Union found out.

A society where there is no press to afflict the comfortable—and comfort the afflicted—would produce more dictators like those who park their ill-gotten wealth in Swiss banks.

### **Able to laugh together**

Government and the press will never fully agree as each might wish. It is inherent in our Philippine democracy. It organic in the nature of our relationship. We each have to take as well as give our share of criticism. And we shape up to the extent that we both listen and learn.

This annual Gridiron is invaluable in that this one night during the year, we can share a good meal under the same roof and ventilate our gripes and differences in a spirit of humor and fun.

The jokes may hurt, the parodies may inflict pain, the revelation that no one is perfect may annoy all of us—but in the end, all these matter little, because we are able to laugh together.

*Source:* **Presidential Museum and Library**

Ramos, F. V. (1998). *The continuity of freedom : a democratic and reformist society is our unique competitive advantage*. [Manila] : Friends of Steady Eddie.



**NATIONAL GOVERNMENT PORTAL – EDITED AT THE OFFICE OF THE PRESIDENT OF THE PHILIPPINES UNDER COMMONWEALTH ACT NO. 638**

**Speech of President Ramos at the Labor Day celebration with the labor groups**

**Speech  
of  
His Excellency Fidel V. Ramos  
President of the Philippines  
At the Labor Day celebration with the labor groups**

[Delivered at the Ninoy Aquino Memorial Stadium, May 1, 1997]

**The  
in each of us**

**Bonifacio**

WHAT ANDRES BONIFACIO wrote and exemplified more than a century ago holds even more special meaning today. His heroism was manifested not only by his bravery in leading the revolution; he showed it as much by seeking and developing excellence despite his limited means.

He explored opportunities for advancement not only in the political sphere but in the economic field as well. He was also not averse to cooperating with foreign interests, where practical benefits could be realized for his people. His teachings on patience, constancy of efforts and faith in one's country—these all speak to us today, in our quest for a better life for the Filipinos of the next century.

The improvement of our economy has translated into significant gains from labor and employment. Unemployment fell to 8.5 percent in 1996, the lowest since 1991.

Strong growth rates were registered in the industrial service sector, accompanied by considerable improvement in the quality of employment generated during the period.

The national unemployment rate fell from 8.3 percent in January 1996 to 7.7 percent in January this year. Also, more persons found full-time employment (or worked for 40 hours or more during the week) as their number grew by 4.0 percent to reach 17.7 million.

Wage and salary workers grew by 6.6 percent, increasing from 12.2 million to almost 12.9 million. In fact, almost 98 percent of the total increment in employment during the period was among the wage and salary workers.

Complementing gains in full-time employment, 19 wage orders and implementing rules were issued in 1996 to protect workers' incomes. Together with 13 other wage-related issuances, these directly benefited 1.5 million workers and indirectly about 4 million workers.

Most of last year's gains in employment occurred in the rural areas. Rural employment expanded by 7.3 percent compared with urban employment, which contracted by 1.5 percent. This already indicates that our efforts to disperse economic activities from the usual city centers are succeeding.

**The quality of Filipino labor**

There is more than quantity involved here; the quality of Filipino labor is also noteworthy.

We have always praised the adaptability of our country's work force as one of our most important advantages. This is something we must continue to build on as we strive for international competitiveness. That the Philippines

retained the overall championship in the Second Association of Southeast Asian Nations (ASEAN) skills competition—first held in Malaysia and then here in Manila—is proof of the competitive potential of our work force.

We also know that we can improve Filipino labor by improving its conditions, including its organizational capabilities. Thus, we have carried out many empowerment programs such as the Workers' Organization and Development Program for organized labor, particularly for the federations.

### **Empowering our workpeople**

Over the past year, the Department of Labor and Employment released P9.5 million in loans, plus another P6.5 million due to be released soon, to finance livelihood projects for 13 federations. It has also released P4.75 million, and is about to release another P2 million in training grants for capability-building programs ranging from cooperative development to entrepreneurship and leadership training for 155 labor organizations.

Let me emphasize that the empowerment programs of the Government should not be taken as doles subject to the principles of accountability and audit. These are funds from the people and organized labor should use them in accordance with the purposes for which they were appropriated. In the same vein, let me also instruct the Department of Labor and Employment and the Department of Budget and Management to ensure that the budget requirements of the program are sustained.

As we enter the 21st century, the pressures of globalization will continue to be felt by all, not least by the labor sector. Responding to these fears, we have established a GATT assistance fund, which is being administered by the labor department to help workers and employers cope with adjusting to this new global regime. I urge organized labor to access these funds, subject of course to our minimum requirements of fiscal responsibility and accountability.

The Employees' Compensation Commission also has funds, now amounting to more than P16 billion, for improving employees' compensation schemes and for funding related health and rehabilitation programs.

### **Housing for Filipino workers**

Last year, through the workers' fund, we launched two workers' villages—named Harmony Hills I and II—in San Jose del Monte and Marilao. These two villages consist of 548 houses and are nearing completion. Today, we are launching two more—Workers' Village 3 and Workers' Village 4—in Dasmariñas and Tanza, Cavite, consisting of 358 houses. These projects could not have been possible without the initiatives of the workers themselves, and their adherence to the principle of self-help, self-sufficiency and hard work.

The workers' fund, I understand, is also contemplating a workers' mart, where members can buy basic commodities at discounted rates. I remember that we celebrated Labor Day 1993 at the National Food Authority warehouse in San Francisco del Monte, where a workers' mart was supposed to be established.

I fulfill that commitment today with my directive to DOLE, the Department of Agriculture and the National Food Authority to immediately work out means to provide the workers' fund with warehouses within the premises. Also, today, I authorized the full release of the P10-million grant from the President's Social Fund for the Kaunlaran ng Manggagawang Pilipino Inc. additional seed capital to the workers' fund.

Let me move on to a number of our concerns.

### **Implementing the Labor Code**



I am informed that Labor Secretary Leonardo Quisumbing has issued the revised rules implementing Book V of the Labor Code. I recall that at the national tripartite conference held in April last year, the tripartite sectors agreed to amend these rules to facilitate union organizing and the disposition of cases.

The rules are the product of a tripartite consensus, and I am especially encouraged by the active and constructive participation of the labor sector in their formulation. This is the social partnership we would like to sustain—each partner taking a share of responsibility in defining the rules of the game.

In the process, we are also assured of commitment from all players to abide by the rules, rather than taking to the streets to denounce perceived injustices.

I have also directed the Department of Labor and Employment and the Department of Foreign Affairs to do what needs to be done so that we can ratify the International Labor Organization Convention on safety and health in the mines as soon as possible.

Our mine workers—especially those involved in small mining such as in Mount Diwalwal—need more protection, given the terrible risks under which they work. Toward this end, I am authorizing the release of P300,000 to the labor department from the President's Social Fund to help start the operations of the working council created by the tripartite forum.

### **A common legislative framework**

I am awaiting the final action of the tripartite partners on two other ILO conventions on homeworkers and child labor. The significance of these conventions should not be lost on us: whether we eventually ratify them or not, they provide us with a directional framework for development of specific sectors in the work force, and at the same time serve as ideal benchmarks by which we can measure the extent of our own social gains in the international community.

I have come across suggestions that the Labor Code has ceased to be labor-friendly. This perception is premised on two factors. First is the increasing incidence of contractualization and flexible work arrangements which are seen to undermine security of tenure, labor standards and the right to collective bargaining. Second is the perceived delay in the dispensation of labor justice.

We are all committed to a tripartite process in evolving a legislative and policy framework which will balance protection to labor, on the one hand, and the improvement of productivity and competitiveness, on the other.

Globalization requires a purposeful response to the issue of flexibilization and contractualization. In last week's employers' conference, I asked Secretary fast-track action on the rules of subcontracting, without of course ruling out further legislative action on this issue.

But the best answer to the rise of flexible work arrangements is the setting up of the institutions we need to develop, a flexible and adaptable work force, with the skills and the capacity to take advantage of the changing requirements of industry.

Government has seen to it that these institutions are in place with the creation of the Technical Education and Skills Development Authority and the Commission on Higher Education. With the labor department's labor market information which we are launching today, a critical mechanism for matching skills and jobs is also now in place.

### **Speeding up labor justice**

On the other hand, the fair and speedy administration of labor justice has been partly dealt with through the issuance of Executive Order 26, which prescribes deadlines, on pain of administrative sanctions, within which cases should

be resolved. Through the labor department, we have nurtured a policy orientation toward the use of voluntary modes of settling disputes, such as conciliation, mediation and voluntary arbitration.

Beyond these, I am aware of pending legislation intended to improve workers' benefits. Unfortunately, some of these measures are being pushed for their populist rather than their strategic value.

Legislation should expand the field of mutually reinforcing rights, privileges and benefits between labor and management, particularly in such areas as self-organization, collective bargaining negotiations and dispute settlement.

### **Reviewing the Labor Code**

The strategic objective of any legislative proposal should be to allow as much freedom as equitably possible to management and workers so that they can manage and regulate their relations by themselves. What we need therefore is a thorough and comprehensive review of the entire Labor Code to determine which provisions have outlived their usefulness, which provisions should be strengthened, and what new concepts should be introduced as we refocus labor-management relations on the demands of the 21st century.

For this purpose, I direct the labor department, through its tripartite industrial peace council, to start tripartite consultations immediately on the changes that need to be introduced into the legal framework, and to formulate recommendations that can be the basis for legislative action.

In the public sector, my Administration is dealing with two critical issues that Government workers have always raised. First is the issue of full recognition of organizational rights, including the right to collective negotiations and bargaining, to a level comparable with the private sector. Second is the issue of improving the wage and nonwage benefits of public-sector employees.

In response to a long-standing call of public-sector unions, I have signed today an order to the chairman of the public-sector labor-management council allowing the participation of four representatives from public-sector unions, one each coming from National Government agencies, Government-owned and controlled corporations, State universities and Local Government units.

Participation of the labor sector in the council is imperative if we are to push for legislative reforms, particularly in public-sector labor relations. With its strengthened composition, the council should now conduct new consultations on ways of further empowering Government workers.

I also urge Congress to take immediate action on pending bills relating to our public servants, of course with the active involvement of the council and all concerned sectors.

### **Salary standardization and health care**

On the matter of benefits, the second part of the Salary Standardization law will be fully carried out by November of this year. This early, some sectors within Government are again calling for a third salary standardization law. While everyone in the Government will benefit from such a proposal, we should note that, except on the executive levels, Government rates now compare favorably with rank-and-file jobs of equal content in the private sector.

Any measure to increase wages should, therefore, take into account the strategic concept of wages, which is to attract the right people into the bureaucracy, keep them there and sufficiently motivate them to render honest service and to raise their productivity.

On another front, I understand that the Philippine Government Employees' Association is also calling for measures to carry out an accessible annual medical check-up benefit program for Government employees. I have therefore

directed the Civil Service Commission, the Department of Budget and Management and the Department of Health to fast-track the study on how this proposal can be funded and carried out.

### **Looking after port workers**

As we reap the benefits of liberalized trade, let me acknowledge the contribution of one group of workers who risk life and limb to ensure the smooth flow of trade in our port areas. I have directed the Department of Labor and Employment and the Department of Transportation and Communications to finalize and carry out without delay the social amelioration for port workers.

The program includes the compensation of port workers or their families for major contingencies such as death, disability—whether total or partial—retirement—whether optional or compulsory—and layoff or separation. Other possible benefits that can be provided under the program will be determined by a tripartite meeting with the Secretary of Transportation and Communications or his authorized representative as chairman.

The program shall cover all port workers working in Government ports nationwide, whether permanent, probationary, temporary, casual or otherwise, but excludes those supplied by labor-only contractors and agency workers.

Today, Labor Day and Bonifacio's centennial, I am pleased to announce that the Senate President, the Speaker of the House and I will sign in your presence, Republic Act 8282, which strengthens the Social Security System and makes it more responsive to the needs of its growing number of members.

This law is expected to bring more benefits and broader coverage to private workers, including such groups as self-employed persons farmers, fisherfolk, household help, overseas workers and household managers.

More than 355,000 pensioners will benefit from increased minimum levels of retirement, disability and death pensions. The minimum monthly pension for those who meet the requirement of contributions is P1,000. But pensioners with 20 or more credited years of service can look forward to a minimum monthly pension of P2,400.

### **A landmark law expanding welfare benefits**

I trust that this new law will contribute to higher productivity and a better quality of life for our workers and their families. In behalf of our people, especially the SSS members and their families, I thank our legislators, led by Senate President Ernesto Maceda and House Speaker Jose de Venecia, and their colleagues—the authors, sponsors and supporters—of this landmark law that expands our workers' welfare benefits.

One of our most basic concerns, of course, is for workers and their families to have sufficient incomes to meet their needs. Previous efforts were focused on increasing wages and salaries. Today, nonwage measures have to be taken to supplement the net take-home pay of workers.

During last year's Labor Day celebration in Malacañang, I announced I had certified the Comprehensive Tax Reform Package, through which we intend to broaden the tax base, simplify the tax system, improve tax collection and strengthen tax enforcement. I call on both houses once more to fast-track the passing of the tax reform package, which is expected to impact significantly on our ordinary workers.

### **DOLE on the Internet**

Part of the pole-vaulting strategy that will take us to the next century is to jump-start selected "growth stimulants." These include the implementation of projects that will focus on the development of information technology in our country. Our being abreast with information technology is a vital prerequisite to our pursuit of international competitiveness.

I am therefore delighted that the Department of Labor and Employment has launched today its own home page on the Internet, through which interested parties can access information, 24 hours a day, about Philippine labor policies and conditions—our programs, relevant statistics and decisions on labor cases, among others.

With technology allowing instant global communication, Congress should now push legislation for absentee voting by overseas Filipino workers. Absentee voting is consistent with the provision enshrined in Section 2, Article 5 of the 1987 Constitution, which seeks to allow qualified Filipino citizens working or living abroad to exercise their right of suffrage.

As we rejoice in our achievements, however, we cannot sit back, relax and believe that we can just ride the wave of our initial accomplishments. Much remains to be done. We still have not decisively vanquished poverty and the forces of corruption, lawlessness, complacency, selfishness and injustice in our society.

### **Becoming our own heroes**

We can now become our own heroes by making higher demands on ourselves—to ask and deliver the best that we can to contribute to the general welfare of our people and the nation.

Bonifacio and our other heroes won us our first freedom—our first opportunity, as a nation, to do right by ourselves, and do ourselves proud. Now we must carry that effort into a new century, on a higher plane of both material and moral achievement.

In giving justice to the labor of the common Filipino, we recognize and encourage the Bonifacio in each of us—that hero who will do all to improve himself, so that he can then do all to improve the lot of his countrymen. In this I put my faith, hope and reliance in the ability of the Filipino.

*Source:* **Presidential Museum and Library**

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**Speech of President Ramos at the Credit Lyonnais Securities (Asia) Investors' Forum Asia '97**

**Speech  
of  
His Excellency Fidel V. Ramos  
President of the Philippines  
At the Credit Lyonnais Securities (Asia) Investors' Forum Asia '97**

[Delivered at the Grand Hyatt Hotel, Hong Kong, May 22, 1997]

**Partners  
the Asia-Pacific**

**in**

WE MEET at a historic juncture: close to the end of one phase of Hong Kong life—and the beginning of another. Over this past century colonial Hong Kong has been a trading and financial powerhouse of Southeast Asia, China and the countries that the Chinese call “Nanyang,” or the “Southern Ocean.” Its formal restoration to China— as a “special administrative region”—could not have taken place at a more fortuitous time—because the People’s Republic itself has entered the economic and political mainstream of the Asia-Pacific region. And so we can all reasonably assume that this new beginning will lead Hong Kong to even greater achievements for its dynamic, enterprising and adaptable people.

Let me begin by thanking Credit Lyonnais Securities for setting aside this “Philippines Day” at its 1997 Investor’ Forum—so that we could tell you how our country—long known as the “sick man of Asia”—has been transformed into what *Newsweek* magazine calls “Asia’s new tiger.”

Today we Filipinos have much to celebrate—in the economy and in national life as a whole. Our gross national product grew—from 5.0 percent in 1995—to 6.8 percent in 1996. Our target for this year is at least 7.0 percent and we should be hitting 8 percent next year. Industry led last year’s growth; it expanded by 6.3 percent, followed by services with 6.0 percent. Agriculture also grew by a respectable 3.1 percent—compared with less than 1 percent in 1994 and 1995.

What is most encouraging to us is the economy’s steady expansion from nearly zero growth when the Ramos Administration began in 1992. We have added—year after year—to national productivity. Now we are reaching the high levels of growth which most of our vigorous neighbors have known for over a decade—and where we in our turn will strive to stay.

**Our competence in economic management**

Sustaining growth is achievable—because Government has proved its competence in fiscal and monetary management, and because our private sector has matched this competence with enterprise and dynamism. The key indicators speak for themselves.

For instance, our inflation rate averaged 8.4 percent last year. But by the first quarter of this year, it has declined to 4.7 percent—down from 11.6 percent over the same period last year. And the reduced inflation is well within the target range for the whole year of 1997 of 6 percent to 7 percent set by Government.

Interest rates, as measured by 91-day Treasury bills, averaged 12.4 percent in 1996—still within the target of 12.5 percent set for that year. Since the first quarter of this year Treasury-bill yields have been on a downtrend—with the benchmark 91-day rate falling to a 14-month low of 9.5 percent.

The exchange rate has remained stable—with fluctuations in the peso-dollar rate hovering within a band of 13 centavos, or 0.5 percent—making it one of the steadiest in the world.

### **Exports and investments growing steadily**

At a time exports were declining in other countries, our exports continue to grow—by 18 percent in 1996. According to a World Trade Organization survey, the Philippines posted the second-fastest annual average export growth rate between 1990 and 1996—exceeding by 10 percentage points the world average of 7 percent. Over January and February this year, our total exports grew by 16.2 percent to reach US\$3.5 billion. Our exports to the United States grew even faster—by 26 percent—to reach US\$1.2 billion.

For 1996, incoming investments recorded by our four official investment-promotion agencies—the Board of Investments, the Philippine Economic Zone Authority, the Clark Development Corporation and the Subic Bay Metropolitan Authority—reached P490 billion, increasing by 20.2 percent over the investments generated in 1995. Clark Development Corporation—which manages the former U.S. air base on Luzon Island—recorded the highest investment growth at 176 percent.

Over January and February this year, total investments approved by the Board of Investments reached P48.3 billion in project costs—an 85 percent increase over last year's level. Investments recorded by the Economic Zone Authority over the first four months of 1997 already surpassed the investments that came in over the whole of last year—P72.4 billion as against the P65.3 billion level for 1996.

### **Government itself posting a budget surplus**

The Government itself is doing well financially. It has posted a budget surplus for three consecutive years now. In 1996 the surplus in revenues over expenditures was P63 billion.

- Our gross international reserves hit a record US\$12 billion as of end-1996.
- Our balance of payments had a US\$4.1 billion surplus in 1996—a significant improvement over the US\$645 million surplus in 1995.
- Unemployment in 1996 fell to 8.6 percent—the lowest since 1991.

And we continue to close our infrastructure gap.

The building of overhead capital is going on at a pace the country has not seen in two decades. Through a “flagship” system, we have speeded up critical public infrastructure and investments and focused strategic projects within and between designated growth centers throughout the archipelago.

In fact, our build-operate-transfer policy on infrastructure development has become a model for other developing countries with huge infrastructure requirements but limited resources.

These facts and figures do not merely represent incremental changes. In an important way they show—perhaps for the very first time—that the Philippines is no longer trapped hopelessly in a cycle of boom and bust: the growth of its economy can be sustained.

### **The newest ‘tiger’ economy in East Asia**

As a result of our continuing economic progress and social reforms, the latest world competitiveness report has moved the Philippines into the 31st overall position—up from number 35 last year. At this point, we are already ahead of Indonesia, and well within reach of Thailand, which is number 30. Malaysia is still ahead—but we are getting there.

Our successful hosting of the Fourth APEC Leaders' Meeting in November 1996 has shown the world that, indeed, the Philippines is not only a profitable destination for investments—that issue has already been settled—but a competitive partner of the “tiger” economies in the world's fastest-growing region.

In describing this region's tremendous growth, people often speak of the “East Asian miracle.” But there has been neither mystery nor miracle in the Philippine economic performance.

Our achievements over these past five years are rooted in policies of pragmatism—which reversed the protectionist and inward-looking policies that had hobbled the economy; dismantled the monopolies and cartels that have stifled competition; and, by so doing, released the creativity and entrepreneurial energies of our business people.

The Ramos Administration has consistently focused the Philippine state on providing the policy framework within which private enterprise can flourish. That policy framework includes political stability and civil order, the rule of law, which assures fair competition and the security of business contracts, a sound macroeconomic policy that, among other things, guarantees a sound currency and stable prices; and public investment in both physical infrastructure and human capital which private industry cannot provide for itself.

### **Building a credible and capable state**

As part of this effort, we have overcome and made honorable peace with rebels, insurgents and separatists. And we have come some distance in streamlining the administrative bureaucracy—in reforming the justice system—generally, in building a credible and capable state that can guarantee the integrity of Philippine democracy and its free-market system.

In May next year, we shall be holding our second presidential election under the 1987 Constitution which calls for a nationwide democratic and peaceful process. Thus I see 1997 and the balance of my term as an opportunity—and a challenge—to consolidate for the long term our policy environment and uplift the Philippines to a place of respect and competitiveness in the international community.

It is in this context—of a Hong Kong that should remain a world financial and trade hub—of a People's Republic of China that adheres to market socialism while preserving its political system—and of a Philippines that has consolidated its political stability and economic gains that I propose an economic partnership that will expand the scope and scale of development and benefit all our peoples.

We are seeing in our time an epochal shift in international relations brought about by the end of the Cold War. This tidal change, which promises to set the pattern of global relationships for the foreseeable future results from the globalization of production and breakthroughs in science and technology particularly in information, communication and transportation.

The result is greater interdependence and expanded economic, political and cultural linkages among nations. The promise is that the security and stability nations once sought through arms buildup and military alliances we can now obtain through economic cooperation and interdependence that produces mutual benefit.

### **Vehicles for peace and stability**

The Philippines actively promotes regional political associations, economic groupings and trading arrangements as vehicles for greater peace, stability, economic prosperity and deeper social and cultural understanding.

Thus, our country is a charter member of the Association of Southeast Asian Nations (ASEAN) and its Free-Trade Area (AFTA), as well as of the larger Asia-Pacific Economic Cooperation (APEC) grouping. On a smaller scale, we promoted the East ASEAN Growth Area, which incorporates the Southern Philippine island of Mindanao with Brunei and the adjacent territories of Indonesia and Malaysia—a virtually untapped market of 40 million people.

## **A unified investment area by 2010**

Southeast Asia's unification under ASEAN is now only a matter of time. And its dramatic growth should continue for decades more. The U.S. Department of Commerce, for instance, estimates that, by 2010, Southeast Asia will have a population of 686 million and a GDP of \$1.1 trillion (almost two and a half times its GDP of 1995). At that point, U.S. exports to ASEAN will equal—or exceed—its exports to China or Japan.

ASEAN also seeks progressively to facilitate the flow of investments in both the manufacturing and nonmanufacturing sectors of its member-countries. AFTA's common effective preferential tariff serves as the springboard for the new ASEAN industrial cooperation scheme to promote joint manufacturing ventures among ASEAN-based companies. Hong Kong-based enterprises are welcome partners in this scheme, since the minimum ASEAN national equity requirement is pegged at only 30 percent.

In investment, ASEAN is working toward a unified investment area by the year 2010—by which time a unified Southeast Asia would offer tremendous market opportunities and economies of scale for Hong Kong investors.

The international acceptance of ASEAN has been outstanding. For instance, its regional forum for political and security problems has attracted 14 outside powers. And APEC has adopted ASEAN's negotiating methods of consultation and consensus.

The leaders' summit last November adopted the Manila Action Plan for APEC (MAPA '96) containing; concrete and practical pledges by the members to establish free and open trade in the Asia-Pacific—by 2010 for the developed APEC economies and 2020 for the developing countries.

## **Forming natural economic territories**

While it is these large regional formations like ASEAN and APEC (and their counterparts in other continents) that have attracted attention, smaller groupings have also been forming—which are binding together our post-Cold War world.

In East Asia, over recent years, we have seen the increasing cohesion—across political borders—of natural economic territories. The American scholar Robert Scalapino—who first gave a name to this phenomenon—describes these natural economic territories—"NETs"—as having no permanent size; they expand or contract in reaction to opportunity and circumstance.

One good example is the Brunei, Indonesia, Malaysia, Philippines-East ASEAN Growth Area—BIMP-EAGA for short—which connects Brunei and major components of Malaysia and Indonesia with the Southern Philippines. This grouping—conceived and first promoted by the Ramos Administration in 1992—restores to life a natural trading zone that centered on the maritime power of the sultanate of Sulu in the 17th and 18th centuries.

The coastal provinces of Southeast China—Fujian and Guangdong—plus Hong Kong and Taiwan—make up a much greater natural economic territory. This "Southeast China/Greater China natural economic territory," has been the main energy source for East Asia's and Southeast Asia's tremendous growth these past 20 years or so.

Indeed, it has become the model for other NETs such as the Johore-Singapore-Batam Island and the Mekong River Delta in Southeast Asia; the NETs clustered around Shanghai and Dalian in Northeast China; and the emerging Tumen River Delta NET on the border shared by China, Russia and North Korea.

The Philippines intends to involve itself increasingly in some of these NETs: and, clearly, this will mean our greater economic interaction with China, even as Hong Kong is restored to China. We are optimistic about Hong Kong's economic future—and that of China as a whole.



We believe China will maintain its open, export-oriented policies—which have already done so much to lift up the life of the Chinese people. We support unequivocally China’s admission to the World Trade Organization—because we believe doing so will strengthen immensely the open and rules-based trading system and benefit all of the Asia-Pacific region.

### **Economic growth depends on regional stability**

In our view, economic prospects in East and Southeast Asia have never been more promising. To be sure, there are problem areas—where autarkic policies still prevail or where political security remains fragile. What is important is that virtually every state in the region—irrespective of its political system—is striving toward development that rests on greater openness, liberalization and regional cooperation. In this drive for development lies East Asia’s promise in the 21st century now dawning upon us.

If we are to realize this promise of the future however, we must have civil order at home and stability in our region. And, in my view, this means among other things) keeping down the excesses of militant nationalism and radical communalism. Fortunately, we have seen improvements in the political security of many East Asian nations in recent years. It is also of great benefit that the old ideological barriers have come down to a great degree.

### **Resolving state disputes through dialogue**

There remain complex issues involving sovereignties and boundaries. It is our position that these issues must be settled peacefully. In the case of competing claims to islets and reefs in the South China Sea, the 1992 Manila Declaration of ASEAN and the code of conduct agreed on among the claimants provide the framework for their peaceful resolution.

While we should acknowledge that numerous challenges lie ahead, I believe Asia-Pacific’s prospects to be more promising than ever before.

Recall the situation at the end of World War II, then the Asian peoples—many of them just emerging from colonialism—were virtual strangers to one another, despite their ties of blood, culture and trade. Poverty warlordism, ignorance and ill-health were widespread—breeding violence and political instability. The major states, moreover, were at loggerheads—divided by an ideological chasm.

Today we live in an entirely different and more congenial environment. As I have noted, the economic prospects for the overwhelming majority of East Asian and Southeast Asian countries are good, to be sure. National economic policies must be kept flexible—so that they can easily adapt to change as the situation warrants.

Meanwhile, the risks of a major war are at their lowest level. The powers, nevertheless, must deal with complex domestic problems on the one hand, and rising economic interdependence on the other—which make a resort to force more and more costly.

### **A sustainable quality of life**

We have the institutions and mechanisms, in increasing measure, to deal with state disputes through dialogue. We also possess a growing body of treaties, covenants and agreements that set out the rules by which we all can live harmoniously.

The nation-state will remain the political organization for rule-making and rule-dispensing. But it is gradually accepting rules that govern interstate relations—at both the regional and global levels. In sum, we are extending the rule of law across borders and territories for the benefit of humankind.

Thus, we can bequeath to those who follow us a quality of life that is more enduring and sustainable. We have the opportunity to take part in the excitement of scientific and technological discovery—of learning more about other peoples on this earth we occupy and also about the planets around us.

*Source:* **Presidential Museum and Library**

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**Speech of President Ramos at the opening of the National Development Summit (Pole-Vaulting Conference)**  
**Speech**  
**of**  
**His Excellency Fidel V. Ramos**  
**President of the Philippines**  
**At the opening of the National Development Summit (Pole-Vaulting Conference) organized by the National**  
**Economic and Development Authority**

[Delivered at the Philippine International Convention Center, Manila, June 8, 1997]

**Faster, stronger, higher**

THE INITIAL VISION of “Philippines 2000” was plain and simple. It was to raise this country to the threshold of newly-industrializing-economy status by the end of the 20th century.

We have crossed that threshold.

- We have invigorated the economy by opening it to the winds of global competition. Our trade with the world has grown by 114.0 percent over the past five years. Foreign investments—totaling P490.2 billion—have turned our economy into a choice destination.
- We have brought both city and countryside into the web of growth. Through devolution, decentralization, deregulation and democratization of benefits, we have empowered local communities to make the political and economic decisions that affect their daily lives.
- We have made some headway in lifting up the common life, in raising the Filipino’s sense of self-worth. Average per capita income has increased from \$830 in 1992 to \$1,250 in 1996.
- We have also brought down the poverty incidence rate. According to the family income and expenditure surveys conducted every three years, poverty incidence declined from 40 percent in 1991 to 35 percent in 1994. Given the strong growth in 1995 up to the first quarter of 1997, we have every reason to believe that the proportion of our families caught in poverty will go down to 30 percent by the end of this year.
- We have hit our annual targets for raising the GNP growth rate and income per head. And we have accomplished both our economic turnaround and social reforms as a working democracy.

**Robust political institutions**

Our democratic political institutions—restored by the People Power Revolution at EDSA in February 1986—are as strong as ever. We have held four successive, generally peaceful national and local elections over these past four years. Peace agreements have been forged with former military rebels and the Moro National Liberation Front, while negotiations continue steadily with the National Democratic Front and the Moro Islamic Liberation Front.

When we hold national and local elections next year, there is no question that the world will witness the orderly transfer of power from this Administration to a new one.

On the eve of a new century, and a new millennium, we who lead this country—as elected officials; business, labor and civic leaders; civil servants; corporate managers; professionals; academics and intellectuals; or heads of non-Government and people’s organizations—we have three basic tasks.

First, we must sustain the forward drive of our Philippines 2000 reforms so that we can overcome the poverty of Filipino families and expand the circle of progress.

Second, we must catch up with our “tiger” neighbors in East Asia—and then at least keep pace with them.

And third, we must ensure our economy's competitiveness in the global market—by making it an efficient creator of wealth.

### **Why we need to pole-vault**

While we can take satisfaction in what we've done these past five years, the challenge of development is still before us, not behind us.

Competition in the global economy is now so intense that we must work hard just to stay where we are. The number of our people entering the labor market grows by a million every year—so we need three million new jobs in the balance of this century. And technology is changing so fast that we must reengineer our economic activities and educational programs for us to catch up and then keep in step.

In the light of this challenge last January 2, in my year-end report for 1996, I spelled out the compelling strategy we must pursue: "We should be satisfied no longer with leapfrogging, for others are leapfrogging, too. Rather, our arm should be to pole-vault into the 21st century."

This strategy must define our long-term goal. We must not just alleviate poverty, we must eradicate it. We must not be content with nearly industrializing, we must become fully industrialized.

We must strive for development in the spirit of the Olympic Games, *Citius, Fortius, Altius*—faster, stronger, higher.

### **Seeking a consensus on goals and programs**

I envision the crucial linkages of "pole-vaulting" as working in this manner: The people will provide the strength, and the interlinking of officials and private-sector leaders from top to bottom will represent the pole with which we must vault over the challenges that we face.

The combined efforts of Government and the acknowledged leaders of civil society—who are in full force here—will provide the impetus and the means to enable our people as a whole to pole-vault toward the goals to which we aspire.

That is why I have called this National Development Summit of 1997—in order to consult with you and to get a consensus on the goals and programs that our nation must pursue in the early years of the new century.

To be truly consensual, the summit must incorporate every sector of national society—including the disadvantaged sector and the political opposition. While we should aim for maximum agreement, we must accommodate minority views and respect dissenting opinion.

This is why I am pleased to see represented here many of the minority parties in the legislature.

On my instruction, the Cabinet departments and their technical staffs have prepared a concept paper on pole-vaulting—in effect, a draft program—to guide and provide focus to our discussions in the next two days.

This pole-vaulting strategy is the Ramos Government's legacy to future administrations. The tasks it sets for both Government and the private sector will take not just years but decades to actualize in their fullness.

The draft program has two major elements:

*One*, it identifies the economic and political reforms still undone—which must be achieved if we are to overcome the feudalism, protectionism and inward-looking nationalism of the past; and

*Two*, it sets the benchmarks over which we must vault—in the form of “must-do” programs that we should accomplish over a specific period.

Generally, the reforms would make the market system work more effectively; and enable individual Filipinos and the whole of our national society to become more efficient creators of wealth.

In a word, the pole-vaulting strategy we propose impels us to raise consistently our capabilities as a people. It challenges us to compete, not just against other countries, but against ourselves.

### **Sectors of society we must improve**

The guidance paper also lists the sectors of the economy, of the administrative bureaucracy and of the political system that we must improve qualitatively.

In industry, we must press on with the reforms that have brought about profound changes in our industrial capabilities. There are now many downstream industries able to manufacture export products on a global scale, with a high employment generating capacity. Such downstream enterprises, many of them small and medium-sized, outweigh the total output and employment coming from a few multinationals and conglomerates that nag us for protection from competing imports.

### **Fight against inflation succeeding**

Moreover, individuals and households are now benefiting as consumers of a wide array of quality and reasonably priced products. In addition, our fight against inflation is succeeding because of the competition that our liberalization policies have made possible. Monopolistic pricing, intended to victimize consumers, has largely been eliminated and must not be allowed to return.

In agriculture, we must make fuller and more efficient use of our land and waters and other resources—because, by the year 2035, our population will likely be double what it is now. We have the natural resources and we have the manpower—not only to meet domestic requirements but to export to the world. But what we have lacked so far is one concerted, determined and relentless push to bring Philippine agriculture into modernization. This our pole-vaulting strategy must now supply.

In finance, we must exploit the dynamism of market forces to promote production efficiency.

When I took office in June 1992, the Administration made balancing the public-sector fiscal account a top priority. With the consistent support of Congress, the Administration adopted a responsible deficit-cutting program, producing for the past three years a substantial budgetary surplus.

As a result, we are now seeing self-sustaining economic growth amid a decline in the inflation rate. The Government is no longer crowding out the private sector for scarce investment funds, thereby permitting a steady decline in interest rates.

We have learned and are implementing an important lesson from these activities—that it is possible to have growth without the Government resorting to deficit spending. The Government can open up market opportunities and get things done faster by relying on free enterprise as long as a liberalized, stable and predictable policy environment is put in place.

### **Investments in education the key**

In education, and training, we must now move intensively to bring our people up to speed with the global economy. To create high-wage jobs in the future, human-capital investments are the key. The efficiency of workers must increase significantly. This will enable them to adapt to the rapid technological changes now taking place.

As our people accumulate additional skills from our investments in training and education, productivity will rise, allowing living standards to improve.

Budgetary allocations aimed at raising the quality of basic education have increased and must continue to increase. Opportunities for higher education must be expanded and access to it equalized through scholarships and “work-now-study also-pay later” plans.

At the same time, vocational and technical education and training programs of the Government must be strengthened and spread out. Budgetary requirements, however, loom larger and larger with every passing year. Quality education and training do not come cheap, and so we must invigorate public-private partnership in dual training and education.

Over the long haul, we can become a mature industrial economy only if we are able to ride the wave of technological changes taking place. Scientific research and technological progress raise productivity. They enable our enterprises to expand their outputs with the same level, or even less, of inputs in terms of time, labor, capital and materials.

We have to acquire this productive ability, but it means investing more in research and development (R&D), in science and technology (S&T) in both the Government and the business sector.

### **Right-sizing the bureaucracy**

There is a danger of underinvestment in R&D and S&T because the benefits spill over to third parties for which benefits the investing agent is not properly compensated. The Government must, therefore, step in with some corrective measures. This we can do through the National Government budget.

While we can increase and steadily raise our spending for R&D and S&T, we must have a healthy revenue system in place, and we must continue to rationalize the size and scope of government. In this regard, enacting the remaining components of the Comprehensive Tax Reform Program and right-sizing the bureaucracy are crucial. A market-reliant economy requires a new kind of government—lean but effective in productivity and service-delivery.

Improvement of Government capacity and efficiency must extend across the board—in all branches and from top to bottom. The bureaucracy we must further professionalize; and we must begin to use Local Government units as strategic partners in development. The administration of justice we must make impartial, swift, thorough and unsparing.

We must make the political system more responsive to the challenges—and the opportunities—the new century will bring. We must reexamine the Constitution as thoroughly as the Japanese, the South Koreans, the British and others are reexamining theirs—to improve qualitatively the State’s capacity to promote the interests of the national community in this new age of global economic interdependence.

### **Finding our competitive niche in the world**

Beyond these “must-do” reforms, this National Development Summit must identify the competitive niches in the global economy we must begin to develop—by overcoming our infirmities and building on our basic strengths.

What are these strengths?

Our distinct advantages lie in our open society; our archipelagic geography astride two great oceans of commerce; our strategic location at the heart of the world’s fastest-growing region; our first-rate managers and corporations; and our skilled and adaptable workpeople.

The draft pole-vaulting program contains a “wish list” of the things we want the Philippines to be—in the context of our economic, political and cultural relationships with the nations of East Asia and the Pacific.

Comprising this wish list are the following: to make our country a knowledge industry center in the Asia-Pacific; a food basket for East Asia; a maritime and shipping power; a commercial hub; an energy exporter; a regional financial center; a Southeast Asian shopper's supermarket; an educational center for various disciplines; a medical center; and a center of culture and the arts.

This list is indeed ambitious, even visionary—but it is by no means limited to just that. But we can attain all these—if we work together more intensely with a shared vision and a common purpose.

### **A nation at peace with the world**

Let us join hands to attain this vision—knowing we cannot be strong without steady toil and willing sacrifice; we cannot grow without teamwork and civic responsibility; we cannot be a national community without caring for one another.

From this summit, let us also send a message of solidarity, friendship and cooperation to our neighbors in East Asia. In our search for our niche in the world economy, we do not seek to exploit their weaknesses: we seek instead to reinforce our capabilities with their own strengths.

Thus our progress will not be at the expense of our neighbors or trading partners. The progress we aspire to is progress with others for our mutual benefit, just as the security we seek is security with, and not against, our neighbors in East Asia and the larger Asia-Pacific region.

Given our limits and constraints, our country may never become a power in military or political terms. But if we strive constantly to perfect our comparative advantages as a people, we can hope to exert greater influence in our region and in the world through our own effective performance in the family of nations.

### **The creativity of freedom**

Since we Filipinos became a nation 99 years ago, we have strived to live in freedom, and to win for ourselves spiritual fulfillment and material prosperity. In a very real sense, our pole-vaulting strategy manifests our people's historical striving toward those ideals.

Today our free and open society is a competitive advantage in itself that foreign investors and our neighbors acknowledge and even applaud—because freedom stimulates creativity in the individual and in the whole of society.

Wealth-creation is merely a byproduct of that creativity of freedom. Wealth-creation is merely the means to our long-term goals. Our final objective is a Philippines where people can share God's blessings equitably, live together in freedom and dignity, and prosper as one nation at peace with the world.

In our ceaseless efforts to come closer and closer toward perfecting these defining elements of our national identity, we may offer an inspiration to other peoples in the development world.

That is the purpose – and the hope—that animates us as we begin this National Development Summit of 1997.

*Source:* **Presidential Museum and Library**

Ramos, F. V. (1998). *The continuity of freedom : a democratic and reformist society is our unique competitive advantage*. [Manila] : Friends of Steady Eddie.

**Speech of President Ramos during the 99th Independence Day Flag-Raising Ceremony**  
**Speech**  
**of**  
**His Excellency Fidel V. Ramos**  
**President of the Philippines**  
**During the 99th Independence Day Flag-Raising Ceremony**

[Delivered at Aguinaldo Shrine, Kawit, Cavite, June 12, 1997]

**A**  
**of patriots**

**community**

FOR MANY DECADES NOW—on this day and at this hour—Filipinos have turned toward this corner of Cavite, toward this balcony and this flag, to be reminded warmly of what being a Filipino means.

Many signal events have taken place since then—many seasons of peace and war, of feast and famine, of growth and struggle. In other words, we have been through both the best and the worst of times, as any people would have had to do—to mature, to prevail and to endure into another century of nationhood.

**Unity in crisis**

We have never been strangers to crisis and challenge. Whenever sacrifice and daring were called for by the circumstances, we stood ready and willing to give our all—our lives, if necessary. Ours was the first country to lead a successful anticolonial revolution in Asia and perhaps even in the entire Eastern world, in modern times. In 1986 we reaffirmed that commitment to liberty and to democracy by staging the world's first People Power Revolution against a long-standing dictatorship.

Indeed, it may be true—as some observers have remarked—that the Filipino responds best in moments of the gravest crisis. In other words, it takes an emergency of national proportions to draw us together, to make us act in concert with one another, subsuming personal interest to the collective will and the collective good.

This was certainly true of the revolution of a century ago, when our founding heroes united and worked together—despite and above whatever personal or political differences they may have had among them—to liberate the nation from colonial slavery.

**The vision and the will**

The cohesiveness into which we are bound by crisis is certainly an admirable aspect of our national character. But we should not need to rely on the clear and present danger of a war, a national calamity, or overt despotism to appreciate the fact and the function of our nationhood.

And I say this because we stand on the threshold not only of the 21st century, and all the challenges and opportunities that it portends, but also of unprecedented progress and prosperity. If we keep on the path of economic reform and liberalization, the Philippines will emerge to claim its destiny as one of Asia's capable economic performers.

We can do it because we have the resources, the talent, the industry and—albeit recently—the vision and the will to achieve our strategic objectives.

Even today we are surrounded by the signs of great and positive change—not only in the cities but in the countryside as well. Over the past five years we have been growing steadily and surely.



## **Securing our hard-won gains**

But these hard-won gains can, once again, be very easily lost if we lapse into complacency—or succumb to the illusion that our most serious emergencies are behind us. We have come as far in these past five years as we had for many decades previously; but it will take very little to undo our accomplishments: if we give in to disunity, to pettiness, to the claims of short-term profit for a few over long-term gains for the many.

And then we shall not need a war to bring us defeat as a nation, for we shall have brought defeat upon ourselves.

Next year, as we mark our centennial of independence, we will have ample opportunity to take stock of what we have won and what we have learned as a free people. Also then, we will be deciding on how best to secure the transition from one century—and indeed, one way of life—to another.

It will be an exciting and a crucial year. But even now cannot be too soon to remind ourselves of our overriding interests and objectives as the nation that declared its freedom to think and to act for itself here at Kawit 99 years ago.

Partisan politics has a way of diminishing our sense of nationhood, and our sense of national accomplishment; we cannot—and must not—allow it to distract us from what we hold most valuable.

The imperative to unite and to cooperate remains as strong and as urgent as ever. The sobering reality is that millions of our poorest countrymen continue to live in crisis, still unable to share the growth enjoyed by others. If we need a cause to stake our nationhood upon, it is here, in the alleviation of the suffering and the hunger of the poor.

## **An infrastructure of the heart**

No matter how many new high-rises we raise, no matter how many roads and bridges we build, we cannot claim to have succeeded as a modern society until we shall have dealt with the most basic needs of the common Filipino. The physical infrastructure, of course, is a way of dispersing and creating new health and opportunity; but we need as well an infrastructure of the heart, of compassion and commitment to social reform.

This will be the most salutary and the noblest use we can make of our freedom: to raise up not only ourselves but others. Let us draw on some of our oldest and truest values as Filipinos: *pagkakaisa*, *pagtutulungan*, *katapatan*, *pagpupunyagi* and the other positive attributes exemplified by our heroes.

Thereby, let us become the *sambayanan*—the one people, the community of patriots—that our nation's founders envisaged us to be.

*Source:* **Presidential Museum and Library**

Ramos, F. V. (1997). *Leadership for the 21st century : our labors today will shape our country's future*. [Manila] : Friends of Steady Eddie.

**Speech of President Ramos before the Oxford Union Society**  
**Speech**  
**of**  
**His Excellency Fidel V. Ramos**  
**President of the Philippines**  
**Before the Oxford Union Society during the working visit to the United Kingdom of Great Britain and**  
**Northern Ireland**

[Delivered at the Old Library Oxford Union Building, Oxford, England, June 17, 1997]

**The  
in the global order**

**Philippines**

YOUR INVITATION to address this body is an honor I was very pleased to accept. Any individual with the slightest pretensions to intellectual ability would be delighted to bask—however briefly—in the scholarly shade of this debating society which has flourished for 800 years.

Your invitation is a distinction I believe you bestowed not only on myself but on the Filipino people—whose travails the world has watched closely since our peaceful People Power Revolution of February 1986 during which our people overthrew a dictatorial regime.

So I shall speak here for Filipinos. I have no grand design to outline—no earthshaking political or economic theory to propose. I have only the story of the struggles of my country over the past two decades to relate.

Let me share with you, then, the Philippine experience and its relevance to the emerging global order.

Over the 1980s and the early 1990s, the Philippines was considered “the sick man of Asia”—a demoralized country ruled by a strongman and his cronies, who controlled all the levers of political and economic power.

Then plagued by lawlessness, corruption and mass poverty, the country moved inexorably toward the brink—until the assassination in August 1983 of the opposition leader, Senator Benigno “Ninoy” Aquino, turned our people’s despair into burning anger.

**The People Power Resolution of 1986**

A great wave of spontaneous protest movements nationwide climaxed in the People Power Revolution of February 1986 when ordinary Filipinos confronted the regime’s tanks and artillery—a great wave which also sent ripples of freedom throughout East Asia and Eastern Europe, and then to Latin America.

The task of restoring democracy fell on Ninoy Aquino’s courageous widow, Corazon C. Aquino. This task consumed the whole of her six-year term as President from 1986 to 1992—because the treasury was empty; there was a massive electric power shortage; political institutions had been gutted; and the Philippine State was besieged simultaneously by a communist insurgency, Muslim separatism and mutinous young officers of the Armed Forces and the national police.

But President Corazon Aquino was steadfast. Her government tenaciously defended our civil liberties and the countryside against the rebels’ repeated assaults. So that, when I succeeded her in June 1992, I could think about longer-term national reconciliation, and restoring the economy to the path of growth.

Even before I took my oath of office as President, I was reaching out to the political factions and to all the armed dissidents. The political factions I grouped into a rainbow coalition in Congress. To the communist insurgents, military rebels and Muslim separatists I offered honorable peace and a participative role in government.

Congress concurred readily with my proclamation of amnesty for all the armed rebels. On my recommendation, it also repealed a Cold War law that had outlawed the Communist Party of the Philippines; and then, together, we set about dismantling the 40-year-old regime of protectionism and inward-looking nationalism that had made our country a laggard among its export-oriented neighbors in the world's fastest growing region.

### **Bringing together the national community**

The peace process—which continues to this day—has largely succeeded. Since 1993 the military rebels have rejoined the political mainstream; their leader has been elected to the Senate. And the peace agreement we concluded in September 1996 with the Muslim separatist rebels in Mindanao finally brought together the national community after some 400 years of religious and cultural estrangement.

Our peace negotiations with the Communist leaders—who have exiled themselves in the Netherlands—are now being concluded. But many of the Communist cadres have not awaited the formal end of these protracted talks. They have made their separate peace—and reentered civil society, without hindrance, and with Government livelihood assistance.

### **Preparing the economy for takeoff**

In this manner we built the platform for our economic takeoff, founding it on the rock of national reconciliation and political stability. Because we had mistakenly tried to protect our industries from foreign competition, we had been left behind East Asia's growth. Over four decades we had mistakenly equated political nationalism with economic self-sufficiency.

In the early nineties we realized we had to enter the mainstream of global commerce and take part in the vigorous life of the East Asian economies. In the spirit of competition, we set about dismantling the barriers—erected over 40-45 years—against foreign investment and multinational industries.

And we began by leveling the playing field of enterprise—by dismantling the cartels and monopolies which had dominated the closed economy.

Swiftly, we deregulated not only all foreign-exchange transactions but also one key industry after another—starting with telecommunications, air, sea and land transport; banking, financial services and insurance; and the petroleum industry. We privatized inefficient public corporations or portions of them. Recently, we ventured on the “mother” of all privatization programs—by awarding franchises and long-term concessions on Metro Manila's entire water and sewerage system that serves 12 million people to two Filipino corporations and their European and American partners.

And we put our financial house in order by instituting reforms in the tax system—while also ridding the public service of excess fat and overlapping functions

Finally, we concentrated on improving what the World Bank calls the “wheels of development”—our infrastructure—by focusing public funds on high-priority “flagship” projects and by innovative arrangements such as Build-Operate-Transfer schemes and their variations that enable private investors to invest in public utilities and other enterprises under joint-venture agreements.

### **Achieving the turnaround**

As a result, our GNP grew—from 5 percent in 1995 to 6.8 percent in 1996, a respectable figure even among East Asia's high-fliers. Our target for GNP this year is at least 7 percent and we should be hitting 8 percent by next year.

What is most encouraging to us is the economy's steady expansion, including at the local level. From nearly zero growth when the Ramos Administration began in 1992, we have added—year after year—to national productivity.

Now we are reaching the levels of growth our vigorous neighbors have known for over a decade—and where we in our turn will strive to stay.

Inflation has slowed down steadily. Over this first quarter, it was reduced to 4.7 percent—from 11.6 percent over the same period last year. Interest rates too are falling and the exchange rate has remained remarkably stable—with fluctuations in the Philippine peso-U.S. dollar rate hovering within a band of one-half of one percent—making our national currency one of the steadiest in the world.

At a time when exports are declining in other East Asian countries, our own exports continue to grow—by 18 percent in 1996, and foreign investment inflows reached P490 billion in 1996—six times larger than the surplus in 1995. And our gross international reserves hit a record \$12 billion at the end of 1996.

These indicators signify not just incremental changes but a qualitative transformation of the economy and of our brighter prospects for the future. In their totality, they tell us the Philippines is no longer trapped in its old cycle of boom and bust.

### **Giving ordinary people a stake in development**

Growth in a free-market economy is initially lopsided—in favor of the better-endowed provinces and administrative regions, and of its social classes best equipped to take advantage of the opportunities opened up by heightened business activity. This problem of uneven development we have alleviated to a significant degree by creating 65 “growth centers” throughout the archipelago which put together agriculture, industry, capital and skilled labor in our 16 administrative regions.

But because the Filipino poor cannot wait, we have moved poverty alleviation to the center of Government concern. Rejecting the laissez-faire “trickle-down” approach, our Social Reform Agenda has focused on the country’s 20 poorest provinces and on specific marginalized and disadvantaged social groups.

As President, I myself have seen to it that all the agencies of Government take on a bias for the poor; and that economic policy maintains a special sensitivity to the well-being of those who are without the means and the opportunity to create, by themselves, decent and productive lives.

The principal components of our Social Reform Agenda are the expansion of job and skills-training opportunities; the improvement of public housing; and the extensive delivery of basic quality education, primary health care and environmental sanitation to the people of our urban slums and rural hinterlands.

What we Filipinos have set out to do—to develop as a functioning democracy—goes against much of the grain of conventional wisdom in East Asia. The dominant view still is that democracy and economic growth cannot go together, and that an authoritarian approach is desirable because the exuberance of unrestrained democracy may lead to undisciplined and disorderly conditions harmful to development.

### **Age of authoritarianism is over**

For the Philippines, the age of authoritarianism has passed. Instead of the discipline of command, Philippine policies and programs must increasingly invoke the self-discipline of civic responsibility.

Experience has taught us that we cannot safely dismantle—even for the briefest period—our constitutional checks and balances, because suspending these mechanisms makes public administration no more efficient, but possibly only more corrupt.

Our democracy is far from perfect, but its improvement lies in more people empowerment, not less.

Thus, we are devolving political authority from the center in Manila to local governments throughout the archipelago. We are encouraging ordinary Filipinos to use their local organizations, their cooperatives and their votes to ensure that their needs, wants and hopes are heard in the making of public policy.

Our most urgent task is to make our citizenry's sense of civic responsibility as strong and as acute as its sense of civic entitlement, through values education and the deeper inculcation of a national spirit devoted to duty and service.

### **New directions in foreign policy**

Let me now turn to a brief exposition of Philippine foreign policy. Our foreign policy today reflects our goals and aspirations as a democratic country. We have reoriented our diplomacy not only to promote our economic development but also to enhance our contribution to regional peace, stability and prosperity.

We have harnessed our foreign service in the drive to promote exports and tourism, attract investments, encourage technology transfer and tap new markets. And we are expanding continuously our network of friends and partners in a world more interconnected than it ever was.

Since the end of the Cold War, geoeconomics has overtaken geopolitics as the driving force behind worldwide trends. A multipolar global system is shifting the emphasis in state relations from ideology to economics.

Today no state need aspire to hegemony—because it can attain its goals through peaceful commerce and integration in the community of nations.

A truly global market has risen, which is founded not on force but on mutual benefit—not on monopolistic control but on broad participation.

Driven by the logic of their market systems, more and more countries are moving toward political openness and pluralism. Representative systems have become more institutionalized in Eastern Europe, in the former Soviet Union and in Latin America.

Perhaps the most important effect of economic interdependence has been on peace and mutual security. Deepening dependence on external markets makes it imperative for countries to maintain friendly relations with their neighbors.

This is true most of all in places of high growth.

A major explosion of violence anywhere in East Asia, for instance, will surely burst the bubble of stability that keeps its economic miracle going.

### **Growth poles across political borders**

Never in our part of the world has intraregional trade been so buoyant. Growth poles that integrate natural economic territories (the so-called NETS) across political borders have risen from Northeast Asia down to Southeast Asia and across the Pacific—radiating circles of intense economic activity, raising incomes dramatically and providing the impetus for an emergent Asia-Pacific community.

The 1996 World Bank Atlas reports that Asia's share of global output had jumped from only 4 percent in 1960 to 27 percent in 1994. And the International Monetary Fund estimated that developing countries in Asia—over the 10 years between 1985 and 1994—increased their exports by an average of 14 percent yearly. And fully half of these went to other East Asian countries.

In our time—the world over, in fact—market reforms, deregulation, privatization, technology transfer and capital inflows must be the watchwords for those economies that wish to catch up with the tiger economies of East Asia.

## **ASEAN as the core of one Southeast Asia**

The integration of the 10 Southeast Asian states has been a 30-year dream of ASEAN'S founding fathers—as a safeguard against the political and economic uncertainties of the future world. This process is likely to be completed this year.

Integration into one community will prevent Southeast Asia from ever again becoming a cockpit for the strategic competition of the great powers. It also increases Southeast Asia's attractiveness to foreign investors, and enables its individual member-states to plug their economies into the global grid of commerce, information, technology and science.

A unified ASEAN will also exert a moderating political influence on Asia-Pacific affairs.

Some countries may object to ASEAN's incorporation of Myanmar, but to us of ASEAN, that Myanmar is part of the Southeast Asian family is reason enough to bring it into the fold.

We are confident that membership in ASEAN will have an ameliorating effect on Myanmar's economy and society, and will gradually draw the Yangon regime into the international community with greater certainty—while its continued isolation will not achieve the results that we all want.

ASEAN has also made itself the hub of proactive and preventive diplomacy in the Asia-Pacific.

Its ASEAN Regional Forum is the principal venue where ASEAN and its dialogue partners can, as a group, conduct regular consultations on regional security and undertake activities that build confidence among one another. On the other hand, the Asia-Pacific Economic Cooperation (APEC) forum has adopted ASEAN's negotiating methods of consultation and consensus in order to liberalize trade and facilitate investment.

One of our principal concerns at the moment is that complex disputes arising from overlapping exclusive economic zones and conflicting claims to portions of the islands of the South China Sea could—by design or miscalculation—flare up into open hostilities.

## **Using economics to outflank politics**

Such a conflict would disrupt the strategic sea-lanes through which the bulk of East Asian trade passes. Further conflict would impact on the basic interests of the global community, which has a vital stake in East Asia's continued economic growth, and in the freedom of navigation through Asian waters.

I have proposed the demilitarization of the South China Sea islets claimed by six littoral states and the cooperative exploration and development of their resources based on the stewardship principle through joint mutually beneficial arrangements.

Within ASEAN, governments have consistently used the market system to speed up political cooperation—initially through cross-border “growth triangles or polygons” and now through an ASEAN Free-Trade Area, which will be fully established among the six older members by the year 2003.

The same strategy—which Deng Xiaoping called “using economics to outflank politics”—can work in the larger Asia-Pacific region by promoting economic interdependence conducive to greater political openness.

## **The Asia-Europe Meetings: Philippine initiatives**

The Asia-Europe Meeting (ASEM), started in Bangkok in March 1996, completes the linkages among the three main poles of global economic power—North America, Europe and East Asia.

The first Asia-Europe Meeting—or ASEM—I for short—gathered the heads of government of ASEAN, China, Japan and the Republic of Korea and the European Union in a historic assembly that encouraged all adherents to advance not only their economic partnership but their shared goal of world peace as well.

ASEM gave the Philippines the opportunity to contribute to closer Asia-Europe cooperation. Citing our own national policies and experience, I suggested that people's needs and welfare must be the overriding consideration in all our cooperative endeavors, which must be reinforced by expanded people-to-people exchanges and through prioritization of small and medium enterprises.

I called for people-to-people engagements among the youth, students, women, farmers, small entrepreneurs, business chambers, people's organizations, think tanks, universities and other institutions of learning. Our people-centered approach to national development led me to advocate the development of human resources—through education, training, health, housing, environmental protection and so on—as the primary focus of international cooperation.

I placed special emphasis on small and medium enterprises since they most need the encouragement and help that the governments can give. I offered our APEC Center for Technology Exchange and Training for Small and Medium Enterprises located in the Philippines, for Europeans to participate in, and invited the leaders' attention to the new Asia-Europe Management Center that is being set up at the Asian Institute of Management in Metro Manila.

The United Kingdom will host the ASEM in April 1998. Beyond the ceremonies of gatherings of this nature, the sense of community that grows out of the personal contacts among world leaders should influence favorably the political, economic and cultural relations between our two poles of the global triangle of economic wealth.

### **Toward a multipolar world**

The breakdown of the bipolar world has created a void that has inevitably been filled by regional powers. In some ways, the old bipolar world was simpler, the rules less intricate. Today the lines are not so clearly drawn.

But in East Asia's experience, we can discern the glimmerings of a new future. The picture that emerges is one of increasing economic engagement and interdependence—a homogenization of politics—and a nascent sense of community.

And all these enable us to hope that the time will soon come when Asian countries, too, will enter the zones of peace that the European Union and North America inhabit.

While we do not offer our experience as a model for all developing countries, there are aspects of the Philippine story, as a unique component of Asia's larger development, which are relevant to the emerging new global order. Let me sum up thus:

*First*, pluralistic societies should be encouraged, because nations that tolerate dissent become more resilient.

*Second*, there are no secret recipes or instant fixes for success. A society willing to learn from its past and to experiment with what works and what does not, stands a better chance of succeeding than one that closes in on itself.

*Third*, material prosperity is meaningless if its fruits are not shared by the vast majority of the people. Only by receiving their rightful share of social benefits and material wealth do people become aware of their stake in their country's development. The same holds true for nations. A more even sharing of global riches and the benefits of globalization gives national societies a greater stake in world peace and stability.

*Finally*, in an increasingly complex global environment, small and medium states—by acting in concert with like-minded countries—can become a force for peace, moderation, restraint and fair-mindedness in the global community.

These are valuable lessons that we of the Philippines now offer to the world.

*Source:* **Presidential Museum and Library**

Ramos, F. V. (1998). *The continuity of freedom : a democratic and reformist society is our unique competitive advantage*. [Manila] : Friends of Steady Eddie.



**Speech of President Ramos at the joint celebration of the 47th anniversary of the National Security Council  
and the 48th anniversary of the National Intelligence Coordinating Agency Speech  
of**

**His Excellency Fidel V. Ramos**

**President of the Philippines**

**At the joint celebration of the 47th anniversary of the National Security Council and the 48th anniversary of  
the National Intelligence Coordinating Agency on the theme: “A Nation Is a Nation Secure”**

[Delivered at the EDSA Shangri-La Hotel, Mandaluyong City, July 7, 1997]

**A  
of our unity**

**celebration**

YOUR PRESENCE at these celebrations symbolizes the political unity we have been able to organize in the national community these past five years. From the very beginning of our country's history, disunity had been the greatest threat to its security and its stability.

In fact, Spanish history in the Philippines began with the conquest of the fractionalized principalities of this archipelago. The *conquista* was undertaken by no more than 400 to 500 Spaniards. Even at the time, the Filipinos already numbered between 1,000,000 and 1,250,000. Yet the warring barangays into which the archipelago was divided in the 16th century fell easily to the Spaniards.

How did that happen?

The conquest succeeded only because—in the words of the Augustinian historian Casimiro Diaz—the indigenous peoples “did not know their own strength; they could not unite with others: and, although they all desired liberty, they did not work together to secure it, and so they were subdued.”

**Our search for peace and reconciliation**

Mindful of this harsh lesson from history, I placed honorable peace and reconciliation with our military rebels, communist insurgents and Mindanao secessionists as my Administration's most urgent priority in 1992.

So that, even before I took my oath of office, I initiated the peace process and the political reconciliation which were to become the foundations of the political stability that our country would need if it is to restore its economy to the path of growth and claim its place as an equal in East Asia—which is the world's fastest-growing region.

Not only have I always regarded national unity as the foundation of national security. I have also regarded national security in terms much larger than merely military or defense-related. And when we contemplate our country's contemporary history, we soon realize how economic insecurity, for one, can cause political instability.

Consider the series of agrarian rebellions in Central Luzon—which began in the 1920s, continued through the postwar period and remain with us until today, although on a much smaller scale. As *Ka* Luis Taruc here would testify, those rebellions were set off by the increasing refusal of landlords to recognize the right to survival and to a decent future of landless peasants and their families.

Even the military mutinies of the late 1980s were an offshoot of these peasant rebellions. Those coup attempts stemmed principally from our young officers' frustrations beginning in the martial-law years at being committed to a bloody counterinsurgency campaign that, in the absence of reform, seemed doomed to last forever.

And the secessionist movement in Mindanao and Sulu arose largely because of our Muslim community's increasing perception that it was being excluded from the development of the “Christian”—secularist—portions of the country.

## **Redefining national security**

This is why—early on in the Ramos Administration—we redefined national security as founded ultimately on our country’s political unity, its economic strength and its social cohesion. In an increasingly interdependent world, we realized that national security would more and more depend on how efficiently we as a nation could create wealth and distribute it equitably and on how we could compete in the global market.

Many other countries now define their security in terms much larger than merely defense matters. Their strategic frameworks more and more include economic, political, social and even cultural factors as well.

Every state must account more and more for these nonmilitary factors in its calculations of national security—as force slowly but inevitably gives way to the more benign regime of mutual benefit in the relationships between nations and in interpersonal relations.

This is why many governments have restructured their cold-war intelligence establishments to include economic, trade, environmental and technology concerns. And they have geared them up to deal with nontraditional sources of threat to national security—such as the cross-border traffic in narcotic drugs and other transnational crime, and even capital flows.

## **A wider range of interests for the intelligence community**

In our own case, this redefinition of national security has had the practical effect of broadening the interests and concerns of our security and intelligence communities.

Besides their traditional preoccupation with military intelligence, agencies like the National Intelligence Coordinating Agency are now compelled to delve also into the disciplines of trade, industry, finance, technology—the whole complex but interconnected challenge of achieving global competitiveness for our country.

And through institutions like the National Security Council, Legislative-Executive Development Advisory Council and the Cabinet Clusters, information, intelligence, analyses and expert insight have all become decision-making tools more readily available to national policymakers.

Not only has the policymaking National Security Council become a more sophisticated venue for bipartisan or multipartisan policymaking in our foreign relations. We have also been able to harness its professional secretariat (alongside the conventional economic policymaking departments) in the work of conceptualizing economic strategy and social reforms—concepts that ultimately become translated into practical policies such as the “Philippines 2000” and the “Pole-Vaulting” programs.

During the ideological Cold War and the period of strongman rule, “intelligence” got a bad name—deservedly—because it was misused to harass intellectual dissidents and political enemies of the government.

Today, intelligence-gathering is done in a more transparent—a more open—manner: typically, by processing the raw information easily available in the media and in freely distributed official documents through the mechanism of think tanks and the sieve of professional expertise. Much of this information-gathering is now done by private think tanks that specialize either in development economics or in strategic studies.

## **Using foreknowledge**

Politically, this Administration uses intelligence—what Sun Tzu calls, more appropriately, “foreknowledge”—not to divide but to unite the nation. Inputs from our offices dealing with various aspects of strategic studies—and located in the various Cabinet departments—enter routinely into all calculations of the national interests at every juncture of policymaking.

And, in this spirit, all the economic, social and political reforms we have achieved we have carried out to strengthen our country's foundation of unity—knowing that, at bottom, we have only ourselves to depend on in our primordial task of safeguarding our country's security and the integrity of its borders. And this is as it should be—because nationhood is nothing more than the acceptance of responsibility for our own fate.

Ultimately, of course, stability cannot be guaranteed by government fiat. Stability—if it is to endure—must spring organically from the very nature and quality of the political, social and economic policy environment.

- A country is stable and secure where ordinary people are content—because they have a stake in the economy.
- A country is stable and secure where the rule of law reigns—because the justice system regards rich and poor as equal in every way.
- A country is stable and secure where there are no extremes of income and social inequality—because ordinary people can hope to fulfill the fullest possibilities of their lives.

### **Stability comes from the policy environment**

This is the kind of stability that we, as the political, economic and intellectual elite of our country, should be striving for—together.

And that we are finally able to sit around like this—to break bread together in celebration of our unity—gives me hope that this kind of security—this kind of stability—we can achieve for this country we all love.

Recognizing in disunity our source of weakness, let us always seek in unity the source of our own strength, the light of our liberty and the foundation of our progress.

*Source:* **Presidential Museum and Library**

Ramos, F. V. (1998). *The continuity of freedom : a democratic and reformist society is our unique competitive advantage*. [Manila] : Friends of Steady Eddie.

**Speech of President Ramos at the 1997 Ramon Magsaysay Awards presentation**

**Speech  
of  
His Excellency Fidel V. Ramos  
President of the Philippines  
At the 1997 Ramon Magsaysay Awards presentation**

[Delivered at the Cultural Center of the Philippines, Manila, August 31, 1997]

**Leadership  
quiet heroism**

**and**

THESE AWARDS remind all of us that decency compassion and selfless service remain the standards by which our societies judge our public men and women. For a national leader like myself, this is especially reassuring because we can hardly succeed in our visions and our programs without the vital contributions of leaders in many fields of endeavors such as those whom we honor here tonight.

It is now almost 40 years since the first Ramon Magsaysay Awards were given. And, through the years, they have served to bring to light high achievement and good work in Asian countries. With the example of the late President Ramon Magsaysay (whose 90th birthday we also celebrate today) as its standard, the Board of Trustees for these awards has never been disappointed in its search for worthy nominees.

At the start, it may have seemed daunting to find individuals worthy of the honor. But in reality—and for 40 years now—the roll of awardees has kept increasing with every passing year. And we might add that the achievements honored by the awards have vividly reflected Asia's march to enlightenment and progress.

**A standard of excellence**

Cynics may want us to believe that nowadays it is hard to find individuals who in their lives and work can serve as models for Asians everywhere. They would have us believe that survival in a changing, fast-paced compete world compels us to abandon our moral values lower if not completely forget our ethical standards, and focus our sights constantly and consistently on just one single objective—what we can do and get for ourselves.

They may tell us that this is the time of the “me” generation, that people are looking out only for themselves, that being nice and kind and compassionate will only leave us at the bottom of the heap. But the cynics are wrong. And the Ramon Magsaysay Awards show that the cynics are wrong, because the values Magsaysay lived by abide and endure.

Today, August 31, the last Sunday of August every year is also our National Heroes' Day. It is indeed fortuitous that this day has been set aside for reverence and commitment to our nation's heroic ideals and for Ramon Magsaysay's commemoration to converge on this same day in 1997, which is our “Year of the Filipino Spirit,” so proclaimed on the eve of the centennial of Philippine Independence.

In many ways, of course, our heroes have been with us all these years, in spirit and in deed. We know their names. We speak about them in our schools. We dedicate statues, buildings and avenues in their honor.

This is as it should be. By honoring the extraordinary, we remind ourselves that heroism requires a certain stature of men and women—an ability and a self-sacrificial willingness to rise above common humanity in response to the urgent needs of their time.

Wars and revolutions or situations crucial to human survival inevitably produce outstanding mortals of great talent, character and achievement. Dr. Jose Rizal, Graciano Lopez Jaena and Marcelo H. del Pilar were products of

oppressive colonial rule. At a young age, leaders such as Andres Bonifacio, Emilio Aguinaldo, Gregorio del Pilar, Artemio Ricarte and many more Filipinos of their kind dashed across the pages of our history and achieved great deeds.

### **Simple lives of quiet endeavor**

In the more recent past, the names such as those of Jesus Villamor, Jose Abad Santos, Wenceslao Vinzons, Josefa Llanes Escoda, Ninoy Aquino and Ramon Magsaysay have become enshrined in the collective consciousness and the grateful hearts of our people.

But for every Rizal, for every Bonifacio, for every Aquino and Magsaysay, thousands of men and women have led simple and quiet lives of painstaking and productive labor; who have given of their blood perhaps not in large streams but in the steady pulse of honest and efficient service; who make of every task a personal responsibility to create and leave behind a better world. These are the battles and the heroes of our time, and these people, too, we acknowledge and honor on National Heroes' Day.

The young student who looks into the future, and who is not afraid of its complexity; the worker who relishes the challenge of excellence and competition; the entrepreneur who dares, who believes in his own country's better future; the public leader who places the strategic national interest above all other considerations.

### **Heroes of our everyday life**

In this category of heroes, also are our overseas Filipino workers and thousands of professionals who have returned from abroad because they now see good prospects for themselves and their families back home here in the Philippines.

I must not also fail to mention the legion of peace and development advocates—Christians, Muslims and indigenous people—soldiers, policemen and Local Government officials who are making our peace process work in our southern regions.

Worthy of our praise, especially, are our World War II veterans whose cause Ramon Magsaysay championed as a young congressman, Secretary of National Defense and Philippine President, and who continue their lonely decades-old battle before the U.S. Congress for justice and equity, even in the twilight of their years.

The four decades of the Magsaysay Awards show us that compassion, fairness, decency, generosity and leadership remain attributes prized by Asians. And they contribute in a vital way to the building of an Asia closer to all our dreams.

Every year the Magsaysay Award ceremonies give us a chance to meet Asians who—in both modest and lofty positions, from big cities and remote villages, with impressive academic credentials and modest educational attainments—have dedicated themselves to the uplift of the lives of their fellow citizens.

To be sure, this year's five laureates, just like those before them, did not have an easy time doing what they set out to do. But unlike many of us who waver at the slightest obstacle, they persevered and toiled on.

Anand Panyarachun had so little time as head of government when he tried to set in place measures that stabilized his country's movement toward full democracy.

Mahesh Chandar Mehta might have felt like a voice in the wilderness when he started his environmental crusade.

Sister Eva Fidela Maamo might have thought she was waging a futile war against disease and poverty.

### **The troubles of refugees**

The problems of India's indigenous communities that Mahasweta Devi championed could have been easily shunted aside, given India's vast population.

And the troubles of refugees that Sadako Ogata had to sort out might have seemed unimportant to government's coping with the problems of those who never left home.

But despite the odds and the difficulties, our awardees remain focused on their objectives, intent only on achieving what they have vowed to do, putting the interest of others above their own, and giving selflessly of themselves to others, particularly those most in need: and in the end they succeeded magnificently.

I see in their lives and careers the kind of heroism and leadership that really stands behind Asia's rise to prominence in the world today. Their quality of leadership—service to others—has changed the lives of many, and I believe it is this same leadership that will lift all Asia in the new century that is approaching.

Such leadership and excellence truly deserve emulation—and this I think is finally what these annual awards ceremonies signify. The tribute we pay our laureates tonight will add little to what they have already achieved. But it means a lot more when we think of how it might inspire others to follow their example.

### **The good we do is its own reward**

So let us remind ourselves—and I address this especially to the young people here tonight—let their example spur us in the work we do in our own sectors. Let the Magsasay awardees inspire us to strive to do more and reach out to more. We may not win a Magsaysay Award ourselves, but every good we do by striving to help our communities will also be a sterling achievement in its own way.

As St. Paul in the Holy Scriptures said in addressing the Galatians: "Let us not be weary in well doing: for in due season we shall reap, if we faint not. As we have therefore opportunity, let us do good unto all men. . . ."

Truly we achieve much by never giving up doing what is decent, what is just, what is fair and what is good. The good we do is its own reward.

*Source:* **Presidential Museum and Library**

Ramos, F. V. (1998). *The continuity of freedom : a democratic and reformist society is our unique competitive advantage*. [Manila] : Friends of Steady Eddie.

**Speech of President Ramos at the commemoration of the first anniversary of the signing of the final peace agreement between the Government and the Moro National Liberation Front, and Multisectoral Assembly for the 30th Regional Cabinet Meeting**

**Speech  
of  
His Excellency Fidel V. Ramos  
President of the Philippines  
At the commemoration of the first anniversary of the signing of the final peace agreement between the Government and the Moro National Liberation Front, and Multisectoral Assembly for the 30th Regional Cabinet Meeting**

[Delivered in Jolo, Sulu, September 2, 1997]

**A culture of peace for the Philippine South**

EXACTLY ONE YEAR AGO, Filipinos as brothers and sisters agreed to walk the same path together to peace and development here in the South.

Today, the Cabinet is here in Jolo to join in our celebration of the first anniversary of the peace agreement signed in Malacañang between the Government of the Republic of the Philippines and the Moro National Liberation Front (MNLF), led by brother Nur Misuari. Looking back on this past year, we realize two important things.

The first is that peace does not just happen: people make peace happen. There is no greater force in bringing about peace than the desire for peace of ordinary people—and the patience and perseverance with which they work to see peace return to their communities.

The second is that our trust in one another is stronger than our differences; our collective courage has proved greater than our individual fears.

Our task of rebuilding the South is far from complete. One year is too short a time to restore to wholeness a society torn apart by nearly a quarter century of armed conflict and centuries of suspicion and isolation.

**Reason for optimism**

But we have reason for optimism. The agreement is on track—and we are happy to show our people—as well as the leaders of the Association of Southeast Asian Nations and the Organization of the Islamic Conference—both of which supported the peace process—that the peace agreement is working.

We—the Government and the MNLF—will continue to work together: and we will not stop until every Filipino who lives in the South is able to realize the fullest possibilities of his or her life.

This is why we place the highest priority on developing the potentials of our young people. This is the reason for being of the Sulu Manpower and Training Center, which I inspected before coming here. The Center is a joint project of the First Lady's Helping Hand Foundation and the Provincial Government of Sulu—with a little help from the President's Social Fund.

The Center offers training programs for various skills such as food processing, equipment repair and maintenance, computer operations and other occupations for the people of Sulu and its neighboring areas—particularly members of the MNLF.

Similar centers have been established in other parts of Mindanao.

We have also started to put in place infrastructure in the Special Zone of Peace and Development (SZOPAD) to stimulate progress in the areas under its coverage. Among the ongoing infrastructure and development projects in the SZOPAD are the flagship projects by the Government agencies, which total P15.9 billion.

These include national roads and bridges by the Department of Public Works and Highways at a cost of P2.8 billion; power generation and electrification by the Department of Energy at P2.4 billion; airports and fishing ports by the Department of Transportation and Communications at P792.4 million; and irrigation systems, farm-to-market roads and farm equipment by the Department of Agriculture at P715.7 million.

The Ramos Administration realizes the importance of upgrading the port of Jolo as Sulu's main shipping facility. Not only Jolo but also Bongao will be developed into ports of entry. Jolo port is right now being paved and its wharf is being extended to relieve berth congestion, in accordance with the Philippine Ports Authority program of work.

### **Translating peace into growth**

In short, my Administration is using the peace agreement to turn Mindanao into a centerpiece of development, and one of our country's major links to global markets.

Within two to five years we want SZOPAD to become an area of vigorous growth where our people—Muslims, Christians and indigenous communities together—shall live in harmony in a culture of peace, unity and prosperity.

Peace is being translated into growth as more and more joint efforts between the Government and the private sector attract investments to the South, which is being enhanced by the Brunei-Indonesia-Malaysia-Philippines East ASEAN Growth-Area, begun under the Ramos Administration.

In 1993 the provinces and cities that were later to make up the SZOPAD area attracted P5.4 billion in private investments. By 1995 investments funneled into the same area reached P14.26 billion—a 164 percent increase. The Department of Trade and Industry forecasts investments in the SZOPAD to reach P16.32 billion by the end of this year.

### **New foreign investments in SZOPAD**

The Iranian Government—in partnership with a local consortium—is investing US\$1 billion in two new oil refineries in Iligan and Zamboanga cities. A Malaysian company is investing US\$5 million in a shipping venture whose ships will ply the Zamboanga City-Jolo route.

The Indonesian Chamber of Commerce plans its own set of projects in Mindanao: telecommunications, power plants and low-cost housing. And Spaniards, South Africans, Indonesians and Malaysians want to invest in a railroad construction project under the build-operate-transfer scheme.

Today, we witnessed the signing of six project agreements within SZOPAD, all involving our foreign friends who have become more confident about the prospects of Mindanao.

The first project, the World Bank assistance for the development of SZOPAD areas, will lend about US\$10 million to finance an emergency social fund project to support small-scale development programs through local initiatives.

The second is a US\$1.5-million grant from the Canadian Government to finance livelihood projects of former MNLF members. It covers capability building and livelihood activities for 1,300 regulars and their families in selected SZOPAD areas.

The other four projects—the building of a drainage system for Mariwasan Central School in Zamboanga City; a rice milling project in Zamboanga del Sur; two water supply projects, one for Zamboanga del Sur and one for Basilan—will all be funded by the Japanese Government.



Also in the pipeline is the Belgian Integrated Agrarian Reform Support Project. A US\$30-million grant-funded project by the Belgian Government, it will provide basic services such as primary health care, basic education, agricultural productivity, and water supply and sanitation to the agrarian communities in Western Mindanao and Central Visayas.

### **Appreciation for friends and awardees**

Let me now thank the donor-countries and agencies involved—the United Nations Development Program, the United States Agency for International Development and the Canadian International Development Assistance—for their fraternal generosity, through their representatives who are here with us today

And I reiterate our Government's special gratitude to the member-countries of the Organization of the Islamic Conference, also with us here today, which helped bring about peace in our southern regions.

While we are all in this thanksgiving mood, I reiterate the appreciation of our people to the recipients of presidential citations: Chairman Nur Misuari, Rizal Pro Patria Award; Executive Secretary Ruben Torres and Congressman Eduardo Ermita, both Golden Heart Presidential Awards; Chairman Haydee Yorac, the Presidential Medal of Merit; General Aglani Maza, Philippine Legion of Honor Award; and Father Eliseo Mercado, Presidential Citation.

### **South's resources must benefit South's people**

One of the key objectives of my Administration's blueprints for Mindanao's development is to bring down poverty from today's 47 percent to 30 percent in the near future, and to 15 percent by the year 2010.

Among the 14 provinces in SZOPAD, eight have a poverty incidence of above 50 percent. Poverty is highest in Zamboanga del Norte at 62 percent; followed by Sulu at 60 percent. The lack of basic social services is most acute here in Sulu—where only 9 percent of all households have access to electricity, and in Tawi-Tawi, where only 14 percent of households have safe drinking water.

Our efforts at development aim to remedy this situation. We want the benefits from the rich resources of the South to benefit people who live here—before they benefit any other regions. Our Social Reform Agenda seeks to enhance every Filipino family's capability to provide for its basic necessities for shelter, food and decent livelihood. In Sulu today, I saw examples of how the Government is delivering these basic services.

Before coming here, I inspected the Kamahardikaan Housing project for 2,500 families in Indanan, Sulu. This is a joint undertaking of the National Housing Authority, the Provincial Government of Sulu, the Autonomous Region in Muslim Mindanao (ARMM), the Department of National Defense and the Armed Forces of the Philippines Corps of Engineers to achieve our avowed goal to provide affordable homes to our poor.

Today we are also launching the Rural Water Supply and Sanitation Sector Project of the Department of Public Works and Highways. This is a nationwide project that will be carried out first of all in Sulu and in 19 other provinces identified as priority areas under the Social Reform Agenda.

### **Dealing with last problems**

Besides the approved P12-million livelihood fund from the President's Social Fund, we are releasing to the Southern Philippines Council for Peace and Development (SPCPD) the additional amount of P3 million for capability-building projects by organized cooperatives in seven provinces in the SZOPAD.

Even as we pursue our economic and social reforms, we continue to deal with our remaining peace and order problems in the South. On July 18, 1997, the negotiating panels of the Government and the Moro Islamic Liberation Front signed an agreement to cease hostilities between their forces.

In closing, let me remind everyone that the ultimate responsibility for the success of our efforts at peace and development rests with each of us—the leaders and the people of Mindanao.

I therefore urge the officials under the umbrella of the SPCPD and the ARMM to use judiciously the resources allocated to their areas. We cannot afford to waste our scarce resources in projects chosen for their political visibility alone. We must invest our limited means in priority projects that benefit the greater number. And this judiciousness we owe not only to ourselves but also to the peacemakers who made peace possible.

### **A springboard for Southern prosperity**

I envision SZOPAD to become the springboard for the development and prosperity of the Southern Philippines. This small but historic island of Sulu will then be able to reclaim the importance it had in the 17th and 18th centuries—when Sulu was the vital center of a great trading area whose linkages stretched as far as India and China. And the whole of the South shall then become a pivot of the Philippine effort to carve a niche for itself in the global economy of the 21st century.

I ask you to remain united in vision, united in facing the challenges of the future and united in the spirit of teamwork in rebuilding our beloved Philippines, and in winning peace and development in Mindanao.

Now that we have peace, let us preserve it and make it work for our country's progress!

*Source:* **Presidential Museum and Library**

Ramos, F. V. (1998). *The continuity of freedom : a democratic and reformist society is our unique competitive advantage*. [Manila] : Friends of Steady Eddie.

**Speech of President Ramos on the conferment of an Honorary Doctorate by the Moscow Institute of  
International Relations Speech  
of  
His Excellency Fidel V. Ramos  
President of the Philippines  
On the conferment of an Honorary Doctorate by the Moscow Institute of International Relations (MIIR)**

[Delivered at the MIIR Auditorium, Moscow, Russia, September 11, 1997]

**A  
of destinies**

**convergence**

NO TWO COUNTRIES seem more dissimilar than Russia and the Philippines. Yours is a vast nation—straddling two continents—endowed with tremendous natural resources—an ancient civilization—and a powerful state armed with nuclear weapons.

My country is a maritime nation of 7,107 islands—only half a century away from 400 years of colonial rule—with an armed force suitable only for coastal defense. Asia's first free republic, it is a nation 70 million strong with a democratic tradition that will be 100 years old on June 12, 1998.

Despite their dissimilarities in size, power, national character and historical experience, Russia and the Philippines have been drawn together. They share a world being swept by the same tide of interdependence and inspired by the same political ideals.

And so our two countries are driven to work together for similar—or at least compatible—objectives. Dissimilar as they are, their destinies have converged.

Both Russia and the Philippines have become part of a world in which security is to be found no longer in military alliances or in the consolidation of buffer zones, or in the balance of terror.

**Mutual security based on interdependent economies**

A basic change is developing in international relations. And the change I see is that—in increasing portions of the globe, especially in Asia and Europe—the resort to force is becoming less and less necessary. Mutual security more and more now depends on interdependent economies, no longer on arms or military alliances.

If, in the age just past, great powers typically progressed from economic strength to military power, today no state need aspire to hegemony—because it can attain its goals through peaceful commerce and integration in the community of nations.

Our world is no longer a world of “sea-lanes” and “chokepoints.” Command of the sea is no longer necessary to acquire and preserve “foreign markets” and “raw-material sources”—as it was during the age of imperialism. A truly global market has risen, which is founded not on force but on mutual benefit.

Driven by the logic of their market systems, more and more countries are moving toward pluralist political systems. Representative government has become institutionalized in Eastern Europe. Latin America's democratic transformation is progressing steadily. The process is almost completed in Asia, and restarting in Africa after apartheid. Although pockets of authoritarianism remain, most countries have embraced the objectives and practices of the free-market system.

Russia itself has laid down its burden of empire, dissolved its military alliances, brought down the barriers that once divided it from the world and built partnerships with powers that had been its long-time ideological adversaries.

Similarly, the Philippines now seeks its security primarily in good relations with its closest neighbors, in dialogue and cooperation with other regional states, and in expanding its network of friendships in a world more interconnected than it ever was.

### **Repudiating inward-looking nationalism**

Our two countries are alike in yet another way. Both of them entered the world economic community only recently—after years of being estranged from it by inward-looking nationalism. Both our countries have only recently opened up their economies and freed them from the restrictions that had prevented economic forces from expanding wealth and benefiting ordinary people.

We of the Philippines have been left behind East Asia's dynamic growth of the past two decades because we mistakenly equated political nationalism with economic self-sufficiency. Now we recognize we must join the global economy—and not isolate ourselves from it.

We must redefine our nationalism to suit the globalization of production that is relentlessly reshaping international economic and political relationships.

Now we are aware our sustained development depends on how strong we can build our faith in ourselves—on the competitiveness of our industries—and on the efficiency and productivity of our workpeople.

So, just as you are doing here in Russia, we Filipinos are reforming our economy—to make the whole of national society an efficient creator and distributor of wealth.

### **Transforming our two societies**

We started by removing the barriers—erected over the last 40-45 years—against foreign investment and multinational industry. We have also privatized a good number of our public corporations—and the process continues.

Over the past five years during my Administration, we have enacted 158 structural and landmark laws in economic reform, social reform and political reform—all for the purpose of empowering our people with a culture of excellence and making our country more competitive regionally and globally.

The transformation of Russia has been even more dramatic and more revolutionary. But the series of epochal events climaxed by the lowering of the red flag flying over the Kremlin on December 26, 1991, has reconnected the Russian people to their history of resistance to absolutism, and restored the sense of empowerment to their lives.

In both our countries, economic transition may have inflicted hardship on some groupings in the national community, but liberalization, deregulation and privatization have also reinvigorated the native sense of confidence in ordinary people—and released entrepreneurial energies that have already restored both our economies to the path of growth.

Through its participation, Russia has already transformed the elite Group of 7 industrial countries into the Group of 8 (G-8). As its economy gains momentum, we can expect Russia's ample supply of well-educated and highly skilled workpeople to succeed in attracting multinationals engaged in the technological and scientific industries.

We Filipinos too have much to celebrate these days—in the economy and in our national life as a whole. From nearly zero growth when my Administration began in 1992, we have added—year after year—to national productivity in agriculture, in industry and in services. With a single-digit inflation rate, stable prices, a growth rate of more than 6 percent and a budget surplus for three years running, we can look forward to reaching the levels of growth most of our vigorous neighbors have known for more than a decade—and where we in our turn will strive to stay.

## **The cornerstone of our foreign relations**

Let me now turn to a brief outline of our foreign policy.

Not too long ago, we Filipinos had set ourselves apart from our neighbors, glorifying in our self-styled distinctiveness as the “only Christian nation” and as “democracy’s showcase” in the Asia-Pacific.

The departure of the United States Navy from Subic Bay on November 24, 1992, ended an era during which—for 421 uninterrupted years—there had been no single day that foreign troops were not based on Philippine soil.

Now we have found our rightful place and a significant role in the Asia-Pacific. Today we identify primarily with our partners in ASEAN, the Association of Southeast Asian Nations—and we have made our relationships in the Asia-Pacific the cornerstone of our foreign relations.

## **ASEAN’s dream of one Southeast Asia**

The recognition of ASEAN, which celebrates its 30th founding anniversary this year, as a key factor for promoting regional cooperation and stability has indeed been gratifying. The ASEAN Regional Forum for political and security concerns has attracted 14 outside powers—including Russia and the European Union. And even APEC, the Asia-Pacific Economic Cooperation forum, has adopted ASEAN’s negotiating methods of consultation and consensus to overcome barriers to its concerted action.

Last November the Philippines hosted the Fourth Leaders’ Summit of the 18 member-economies of APEC at Subic Bay. That summit adopted the Manila Action Plan (MAPA ’96) containing concrete and doable commitments by its members to establish free and open trade in the Asia-Pacific—by the year 2010 for the developed APEC economies and 2020 for the developing economies.

The unification of Southeast Asia has been a 30-year dream of ASEAN’s founding fathers—as a safeguard against political and economic threats and uncertainties. It is close to being completed: nine of the 10 Southeast Asian countries (except Cambodia) have already been incorporated in ASEAN.

Unification will prevent Southeast Asia from becoming once more an arena for the strategic competition of the great powers—as it had been. Asia’s attractiveness to foreign investors and tradespeople enables its individual member-states to plug their economies into the global grid of information, technology and science.

A unified ASEAN will thus be able to exert a moderating political influence on East Asian affairs—considering its collective economic clout, its record of work efficiency and its 440 million people, who constitute a plentiful source of manpower skills and who themselves are a vast market for the world’s products.

Because their own relationships are still forming, the great powers with interests in East Asia have been content to let ASEAN take the initiative in dealing with regional security problems. Thus ASEAN has become the hub of preventive diplomacy in the Asia-Pacific. Although still in its nascent stage, the ASEAN Regional Forum has already drawn the four great regional powers—China, Japan, Russia and the United States—in a continuing dialogue to deal with regional security concerns.

## **Conflicting claims in the South China Sea**

One of our principal concerns is that complex disputes arising from overlapping exclusive economic zones and conflicting claims to islands of the South China Sea could—by design or miscalculation—escalate into open hostilities.

Such a conflict would disrupt not only the maritime heartland of Southeast Asia but also the strategic sea-lanes through which the bulk of East Asian trade passes. It would alarm not just the states bordering the China Sea but

also the world community. Certainly Russia itself has a strategic interest in the China Sea's continuance as an international maritime expressway—open to all innocent passage.

The Philippines has proposed the demilitarization of the South China Sea islets claimed by six littoral states and the cooperative exploitation of the China Sea's maritime resources through a joint development authority. By the careful exercise of preventive diplomacy the Philippines and China have agreed to a "code of conduct" on the disputed Spratly Island group, worked out together after a serious flare-up of the tensions there in February 1995.

### **Russia's role in East Asia and the Asia-Pacific**

The idea that our countries have both a national and a regional interest has taken time to establish itself. But I believe it is growing in our midst. And we need to cultivate it—if the East Asian community is to deal with problems that lie beyond the competence of single nations.

Sharing as it does the landmass of mainland Asia, Russia has always had a vested interest in East Asian stability. In the past, Moscow has regarded East Asia largely as a threat that the expansionist Asian powers might pose to its resource-rich and underpopulated maritime provinces. Not only have these threats diminished in our time: there are also tremendous economic opportunities opening for Russia in the Asia-Pacific, which is the world's fastest-growing region.

Russia's trade with both Japan and China has been growing fast in recent years. And beyond trade, there are tremendous potentials in the complementarities of its resource-rich far eastern economic region with its rapidly industrializing northeast Asian neighbors.

East Asians have always accorded Russia a major role in the regional power balance. I do believe that Russia has much to gain in joining the Asia-Pacific states in building the security with, and not against, others; and in creating development that enriches the life of every nation in the region—in constructing what President Yeltsin has called a "democratic zone of trust, cooperation and security" across the Eastern Hemisphere.

This November the 18 APEC leaders will meet in Vancouver; and in December the ASEAN heads of government will meet with their counterparts from China, Japan and the Republic of Korea.

Then, in April next year, the leaders of these northeast Asian countries and seven ASEAN heads of government, including the Philippines, will meet in London with the heads of government of the European Union for our second Asia-Europe Meeting.

### **Russian engagement in East Asia**

It is my hope that the day will soon come when the Russian President becomes an active participant in all these economic and political networks of cooperative security whose value and importance continue to grow.

What role do we want Russia to play in East Asia and the Asia-Pacific?

We of the Philippines would like to see Russia deeply engaged in the political, economic and security affairs of East Asia. We want to see its residual territorial disputes with its eastern neighbors resolved. And we want it to be judicious in its transfer of military technology.

In the ASEAN Regional Forum, we appreciate Russia's constructive participation so far and we want it to play an even more active part. Once the modalities for association by nuclear-weapon states are finalized, we hope Russia can accede to the protocol of the treaty declaring Southeast Asia a nuclear-weapons-free zone, which the 10 heads of government in the region signed in December 1995.

In economic cooperation, we want to see East Asian countries investing in Russia—and Russians investing in East Asia. We hope that Russia's trade with Southeast Asia intensifies. We wish to see more Russian flights and shipping between Russian and Southeast Asian ports.

We want to see more Russian scientists working in Southeast Asia, and more Southeast Asian scientists studying in Russia. We propose more university exchanges, reciprocal learning of each other's languages and expanded cultural exchanges.

### **A benign explosion of growth**

There is much ground, and much promise, in such an invigorated engagement and involvement for both Russia and East Asia.

Russia not only has vast natural resources: it also has advanced science and technology; talented people, and improved economic performance. East Asia has steadily growing economies, entrepreneurial spirit, expanding markets, capital and higher family incomes, skilled workpeople, managerial expertise, organizational talent and natural resources.

Such expanded engagement and synergistic combination could produce a benign explosion of growth that will generate better lives for all our peoples.

Let me sum up and conclude.

Russia and the Philippines may be dissimilar countries. Our destinies, however, have fortuitously converged in a world rapidly being united—not only by technology and by migratory capital but also by the moral demands of ordinary people for their empowerment and access to wider democratic space.

### **What Russia stands for in the world**

In the summer of 1991 we Filipinos relived our nonviolent People Power Revolution of February 1986 as we viewed the television images of the Russian people standing together to sweep away autocracy and then resisting its return.

In 1988 the Philippine Government convened and hosted the first conference of the newly restored democracies of the world. Thirteen such new democracies attended that gathering. Last week, 74 newly restored democracies, including some of the republics of the Commonwealth of Independent States, gathered in Romania for their third international conference. What a great achievement for democratic nations around the world! What a big difference in the lives of people in those countries! What a bright promise for other peoples elsewhere!

Today we Filipinos want to see a democratic Russia engaged in East Asia and the Asia-Pacific—not only for the economic benefits that such engagement can bring to both our peoples but also for the moral values that Russia stands for in the world.

The Soviet Union had come to being “as the manifestation of an idea, which was that there existed a shortcut to the perfection of political institutions and a just society that people, incapable of understanding their own best interest, had to be forced to accept,”\* Few of those who saw that idealist dream transformed into bureaucratic tyranny could remember the enthusiasm with which working peoples everywhere had met Russia's socialist experiment at its beginning.

### **The egalitarian idea is relevant still**

However, during that difficult but heroic period, the socialist idea that rich and poor people have an equal moral worth was a revolutionary idea—whose impact on the world we can trace until now to the egalitarian values that have become embedded in the social legislation of every civilized country's legal system.

What are these values?

The egalitarian idea is relevant still for developing countries like ours, which are struggling still to lift up the common life. In the Philippines we urgently need to infuse egalitarian values into our kind of capitalism. Although we pride ourselves on being among the most representative of democracies—where elections go all the way down to the level of the village council—Philippine capitalism still has many characteristics left over from the 19th century, during which time it was believed that the rich and the landed gentry were automatically entitled to vast wealth without having to work hard for it, being the products of “natural selection.”

We Filipinos now aspire to a kind of capitalism that not only emphasizes efficiency and individual creativeness but also cares for the poor and disadvantaged whom development and progress have left behind.

### **A national community based on sharing**

We seek a way of placing individual initiative—the driving force of progress—within an empowering moral order, within a community based on compassion, civic responsibility, social harmony—on caring and sharing.

Russia’s experience these past 80 years teaches us that we must balance our ideals and our convictions with a sense of what is possible and doable. Governments cannot force mankind to strive for economic sufficiency social equity and happiness. But it is their duty to do all they can to actualize what they can of mankind s convictions and aspirations, which peoples everywhere cherish in their hearts.

This is the main thrust of the Philippine Government as we prepare our people for global competitiveness in the 21st century. This, too, I believe, is Russia’s primary concern for the future.

It is necessary to work together, and today is a good day to start.

\* Walter Laqueur, *The Dream That Failed: Reflections on the Soviet Union*, Oxford University Press, 1994

*Source:* **Presidential Museum and Library**

Ramos, F. V. (1998). *The continuity of freedom : a democratic and reformist society is our unique competitive advantage*. [Manila] : Friends of Steady Eddie.



**Speech of President Ramos at the 19th anniversary of the Jesus Is Lord Church**

**Speech  
of  
His Excellency Fidel V. Ramos  
President of the Philippines  
At the 19th Anniversary of the Jesus Is Lord Church**

[Delivered at the Quirino Grandstand, October 5, 1997]

**Uniting  
two nations**

**our**

WE FILIPINOS truly have a compelling need to invoke the power of united prayer at this crucial time. We must earnestly ask God to intensify the healing process. Reconciling, healing and restoring are what this nation needs—which was born in violent revolution nearly a hundred years ago.

Our urgent need today is to reconcile the division that persists among our people—between those who live by their labor and those who live on the labor of others.

Brothers and sisters in Jesus Christ—my message to you—and through you, to all our people—is plain and simple: we will not have long-term stability and social order until we reconcile the historical struggle between the few who are rich and powerful and the many who are poor and powerless in the Philippines.

But this reconciliation must be based on a recognition of the equal moral worth of the richest billionaire and the poorest tenant-farmer.

And this reconciliation can be achieved only by the people themselves, sweeping away our society of unequals and installing in its place a community of brotherhood, compassion and mutual respect.

Historically, government in this country has always been in the possession of the higher and richer classes.

From the beginning of our life as a nation, men of property have been able to exert an overriding influence on the actual course of government. In this country, wealth has always been able to throw its weight on to the scales of justice.

**Our people's historical struggle**

But it is not the possession of wealth in itself—but the possession of virtue and wisdom—that qualifies men to rule over their fellows.

The historic struggle between the people and the oligarchy has always been a struggle over the political privileges of wealth; the power of property owners; and the protection of special interests.

Even under the supposedly democratic rule of one-man-one-vote—promulgated during our Commonwealth period—landowners and those who control corporate concentrations of wealth have been able to exert undue influence on the actual course of government.

Even the 1986 Revolution that restored our democracy after the interval of strongman rule merely restored the premartial-law oligarchy to economic and political power. And this restoration of the old elite canceled out ordinary people's gains in civil liberty—because no political system can build a nation for as long as its policies promote inequality and stifle the spirit of enterprise in ordinary people.

The voices of discord are rising once again, but as the Holy Book tells us: “There is nothing more detestable to the Lord than a man who stirs up dissension among brothers.” [Proverbs 6:19]

In 1992 I campaigned for the presidency on a platform of “People Empowerment”—to make politics serve, not the family, the faction or the party, but the nation: and to give ordinary people a meaningful share in making the policy decisions that affect their daily lives and the future of their children.

### **Cast down, but not destroyed**

During that difficult and stressful period from 1986 to 1992, under President Corazon Aquino’s Administration, when there were three major insurgencies and massive disasters that confronted the nation, we did not lose heart. We carried on as best we could and survived. Indeed, as the Bible says: “We were troubled on every side, yet not distressed; we were perplexed, but not in despair; persecuted, but not forsaken; cast down, but not destroyed .” [II Corinthians 4:8-9)

From the very beginning—in fact from my inaugural speech from this very same place—at high noon on June 30, 1992—I set as my Administration’s strategic goal the restructuring of the entire regime of regulation and control that rewards people who do not produce at the expense of those who do.

I said then that we must change “a system that enables persons with political influence to extract wealth without effort from the economy.”

And over these past five years we have made significant headway toward achieving this goal.

### **What we have been able to do**

We have been able to break up some of the more powerful monopolies and cartels into a better pattern of liberalization and sharing—in telecommunications; in banking and the insurance industry; in air-and-sea transport.

And we have opened up the economy and exposed the regime of protectionism in national industry to the competition and the opportunities of the expanding global market.

To these reforms, the economy responded almost immediately: since 1992 the gross national product has increased from a mere 1.5 percent and grown to 6.9 percent in 1996. This year—despite the currency crisis that has afflicted many parts of East Asia—the economy should grow vigorously still.

We have also devolved and decentralized the authority of the central government in Metro Manila and seen to it that ordinary people are no longer excluded from their direct participation in making the policy decisions that affect their daily lives. In the process, we have also awakened the spirit of enterprise, which has begun to animate the numerous growth centers—some 65 of them— throughout the archipelago.

As mandated by our objective to empower our people, I, as your President, regularly consult with the chosen representatives of workpeople, the urban poor, the handicapped, the rural folk, the indigenous communities, the elderly and the young, the media, the religious and small and big business—and especially the chosen leaders of Filipino women—all of whom have historically been treated as second-class citizens in their own country.

We have done a great deal. But there is a great deal more to do. And now resistance to social, economic and political reform is again building up—just as our country enters the threshold of the centennial of Philippine Independence and the new millennium.

### **The people’s responsibility to continue reform**

You can rest assured the Ramos Administration will continue to do all it can—during over these nine months that remain of my presidency—to focus on those structural reforms that are still urgently needed.

Even out of office, I shall continue to speak out against inequality, injustice and class tyranny.

And somebody else must carry on. Like Aaron and Hur whose able support of the weary hands of Moses brought victory for the entire Israelite camp (Exodus 17:9-12). And it is you the people—my brothers and sisters—who, by your vote, must ensure the continuity of reform.

Now more than ever, we need unity, solidarity, teamwork—if we are to keep on reforming our social structures bit by bit—until the whole of national society becomes an efficient creator of wealth; and our nation is transformed into a haven of freedom and dignity for the least of our people.

One of the urgent tasks this Administration is compelled to leave to the next one is the thoroughgoing review of the 1987 Constitution—first, to remove all its impediments to economic efficiency; and, second, to strengthen its institutions of direct democracy: to give citizens a greater share in the initiation of public policy; and finally, to ensure that all Filipinos are empowered with the capacity to compete, and to share in the fruits of progress. This viewpoint also implies that the State cannot allow any interest group—no matter how powerful; no matter how well-intentioned—to set the nation's civil agenda. Because that prerogative belongs entirely to the sovereign people, in their collective wisdom.

### **Giving the *tao* a stake in the economy**

We must waste no time attuning ourselves to the rapidly changing world in which we must survive and prevail. And the key reform we must make is to give the common *tao* a real stake in the system—to give ordinary people a worthy share in the new prosperity of the 21st century.

This is the basic—the most urgent—reform, because power over a man's subsistence and material needs amounts to power over his will—and ordinary Filipinos will never be truly free until they are empowered to determine the fullest possibilities of their lives.

Giving the *tao* a stake in this country's development is the key reform—because if a person has a stake in something, he will move mountains; but if he does not, he will remain indifferent.

In our time, the advances in information and communications technology are making a more direct kind of democracy the appropriate mode of political rule in the era of knowledge the world is entering.

We must establish a new relationship between Government and people—based on mutual trust, on civic responsibility and on working together for the good of the national community.

### **The collective wisdom is superior**

Brothers and sisters—you must keep reminding our leaders that rulers and governments derive their power from the people—and that the collective wisdom of the people is superior to the wisdom of any single leader or group of leaders.

Whatever we as a nation need to do cannot be done without the participation and consent of ordinary people—without their collective wisdom in policymaking; and without their collective conscience in making moral judgments.

And moral judgments should never be made on the basis of hasty perceptions, suspicions or mistrusts.

For the message of God is clear: “When you pass through the waters, I will be with you; and when you pass through the rivers, they will not sweep over you. When you walk through the fire, you will not be burned; the flames will not set you ablaze. For I am the Lord, your God, the Holy One of Israel, your Savior.” (Isaiah 43:2-3A)

This is similarly articulated in the opening chapter of the holy Koran which says: “Thee only do we worship, and to Thee do we cry for help. Guide Thou us on the straight path,

“The path of those to whom Thou has been gracious;— with whom Thou art not angry, and who go not astray”

Even as we commemorate the centennial of our national uprising of 1896 to 1898—which is East Asia’s first anti-colonial revolution—let us not forget that our liberty still is incomplete. We have yet to free this country from the few who control its fortunes and rule it in their own interest.

Our task is to prepare our country for the Lord’s promise to the prophet Isaiah—“to create a new heaven and a new earth ... where the sound of weeping and crying will be heard ... no more.” (Isaiah 65:17-19)

### **Awakening the conscience of the rich**

In this Holy Spirit, our Christian—and Muslim—goal is healing, reconciling and uniting. It is not to destroy the elite but to transform it: it is to awaken the conscience of the rich and powerful to the plight of the poor and powerless who share this land with them.

Our goal is not to divide but to unite the two separate and unequal nations that the Filipino people have been — throughout their history. And the only way we could do this is not to pull down the high and the mighty but to lift up the downtrodden and the lowly—to empower ordinary Filipinos, so that they can become the mass of a strong and self-confident people: sharing a community of equals and living peacefully together in the constant presence of the Lord.

Let us Filipinos now prove that we care and share and dare.

*Source:* **Presidential Museum and Library**

Ramos, F. V. (1998). *The continuity of freedom : a democratic and reformist society is our unique competitive advantage*. [Manila] : Friends of Steady Eddie.

**Speech of President Ramos at the 1997 Sixth East Asia Economic Summit of the World Economic Forum**  
**Speech**  
**of**  
**His Excellency Fidel V. Ramos**  
**President of the Philippines**  
**At the 1997 Sixth East Asia Economic Summit of the World Economic Forum**

[Delivered at the Hong Kong Convention Center, October 14, 1997]

**A**  
**of interdependence**

**declaration**

THE QUESTION before this summit—as it was before the world’s financial leaders last month—is whether or not the currency turmoil is a turning point on the path of high growth for the East Asian economies.

The short answer is “no.” Of course, the immediate future will depend on how the East Asian economies adapt individually to the turmoil; and that will depend on the quality of their economic management.

**A wake-up call for our countries**

For two basic reasons, the current financial crisis is likely to be less a psychological turning point than a wake-up call for our countries:

*First*, the economic fundamentals of the countries of the region still are strong. And there still is a lot of room for opportunity and benefit in their strategic effort to catch up with the more advanced nations.

*Second*, the security underpinning of regional stability is still in place. And it is increasingly bolstered by the economic interdependence being generated by the market system that nearly all our countries have adopted.

Here in Hong Kong—106 days after it was restored to China—everything is business as usual. China itself is focused on development, and the whole of East Asia is in the same mode.

**A pall on our immediate prospects**

It is true that, like the smoke and haze from burning forests over parts of Southeast Asia, depreciating currencies and falling stock-equity cast a pall on our immediate prospects. It is also true that adjustments—some of them painful—must be made in some national economies—if the momentum of growth is to be regained. Yet it is obviously unrealistic to pronounce East Asia’s period of high growth as over—and to write it off from your business calculations.

For our part, the Philippine response to the regional currency crisis has been twofold. One is to shore up our economic fundamentals. While the peso downfall cannot be blamed on weak economic fundamentals, what is important is that we ensure that our economic foundations remain sound and strong. Thus, we are adopting measures to further strengthen our fiscal and monetary positions to ensure rice stability.

Also, regulations in the financial sector are being reviewed to adopt more prudent financial policies based on disclosure and transparency. Liberalization in banking and other financial services will be pursued but with proper pacing and sequencing.

As Greg Sheridan, the foreign editor of *The Australian* has not noted, East Asia has overcome far more serious challenges—such as the oil shock of the 1970s. and he points out that “no reputable forecaster is predicting negative

growth even for Thailand this year or next; and most of the Southeast Asian economies have had their growth forecasts for this year shaved by a percentage point or two at the most.”

In fact, the World Bank has just forecast an average GDP growth rate of 7.6 percent of East Asia over 1997-2006. That figure, although lower than those of the early 1990s, will still make East Asia the fastest-growing region over the next 10 years.

Meanwhile, the lesson that globalization is a fact of life—and that global markets punish policy mistakes severely—has been drummed forcefully into our economic policymakers. Growing interdependence means that economic problems in one country could reecho in other economies. And the remedy lies not in turning away from the world but in embracing it even more closely.

On this theme, let me now elaborate.

### **Turning the crisis into opportunity**

Why do I say Asia-Pacific’s economic fundamentals remain strong?

Globalization so far has benefited this region more than any other. Its open economies and orderly societies have attracted more trade and investment. And the currency turmoil has not blunted East Asia’s competitive edge which lies in its high savings rate and its social commitment to shared growth.

I have pointed out that the World Bank remains upbeat on East Asia. It affirms that “the economies of the region are robust and the events over the last few months are going to spur reforms and draw attention to policy measures that should be taken.” Meanwhile, sharp depreciations of currencies the market had judged to be “overvalued” have taken place. And now we all know that if our economies are to ward off further speculative attacks, they must maintain competitive exchange rates and keep tight financial discipline.

As a “self-help,” quick-response program, we of the Philippines and our neighbor-countries have been exploring possible modes of an “Asian monetary facility” to provide supplemental resources to regional economies that may find themselves temporarily distressed. The International Monetary Fund, for its part, has recognized the urgent need for the international community to introduce prudential measures to further strengthen global capital market mechanisms.

Of course, the next year or two will be difficult for some countries. But it is East Asians who invented the idea that even crisis has its uses. The Chinese character for “crisis” combines the ideographs for “danger” and “opportunity.”

### **East Asia should return to growth after the turmoil**

We of the Philippines expect the whole of East Asia to resume its high growth after this turmoil. And we are positioning ourselves to benefit the most from this forthcoming growth period.

We expect investors to be looking more closely at the political and socioeconomic regimes of East Asia from now on. Naturally we want to make the Philippines most attractive in investment terms.

This is why I have persuaded our legislature to set aside its political effort to reexamine the Constitution in favor of intensified economic reform. The enactment by the Philippine Congress of the remaining element of the Comprehensive Tax Reform Program will enable us to exit from 35 years of continuous IMF supervision and discipline.

Some 159 major reform laws have been enacted during the last five years—63 of them in economic reform, 57 in social reform and 38 in political reform—all of which have resulted in a more open market system. And in these

eight months that remain of my tenure, I myself will focus on those reforms I can make on my own authority as President and Chief Executive.

### **How we are dealing with our own wake-up call**

What is the state of our economy?

The World Bank has judged the Philippines to be weathering the currency crisis “pretty well.”

Our economy is structurally sound and it has avoided the overheating that has built up in some economies.

Our banking system is well supervised by a completely autonomous central bank whose existence and mandate are provided for in our Constitution. Morgan Stanley rates Philippine banks as “above average”—in the league of Hong Kong and Singapore—and their real-estate lending is much smaller than elsewhere in the region.

Relatively stable food prices have kept inflation below 5 percent until last month, when it hit 5.3 percent. We are damping down vigorously any potential price-wage spiral—so we do not expect inflation to rise much beyond 5.5 percent for the rest of the year.

Our merchandise exports are second only to China’s in their continued expansion. They have been growing by 16-18 percent over the past four years. Over January-August they were up 23 percent over the 1996 levels. And over the same period we reduced our trade deficit by 6.4 percent. As a consequence, our debt-service payments are down to 12 percent of total exports; and our credit ratings are stable.

### **Do not be distracted by our politics**

We have also been experiencing a surge in investments—which have so far multiplied more than five times over last year’s total. As of end September, registered investments have hit P499.6 billion—compared with only P97 billion over the same period last year. Foreign investments account for 30 percent of the total—the biggest ones coming from France, Britain and the United States. These investments are distributed among 65 growth zones outside Metro Manila.

Given the slowdown we expect from the combined effects of the regional currency turmoil, we have scaled down our forecast for GNP growth this year from 7.5 percent down to 5.5 percent to 6.5 percent. This rate—while below last year’s 6.8 percent—should keep us well within the East Asian league.

Do not be distracted by the democratic noise that sometimes arises from the Philippine political system. I assure you we listen carefully when the free market speaks.

Not only are we resolving the weaknesses in the financial system, we are also sharpening our competitive edge—in our continuing effort to bring our country into the mainstream of global competition.

### **Cultivating our comparative advantage**

In this effort we are concentrating on bringing wage policies more in line with labor productivity. Our workers were rated Asia’s most competitive labor pool by senior executives regionwide in a recent survey by the Hong Kong-based Political and Economic Risk Consultancy. We’re also working to reduce the transaction costs of doing business—by deregulation, privatization and trade liberalization; and by modernizing regulatory systems and procedures. Our Bureau of Customs, for instance, is now effectively computerized.

Our effort to modernize our infrastructure is exemplified by our success in ending the power failures that darkened our homes and closed down our factories four years ago. The World Bank estimates our total need in investment

infrastructure at \$48 billion over the period 1995-2004. There are tremendous business opportunities there for you—under our expanded Build-Operate-Transfer law, which has become a model for other developing countries.

We're also cultivating our comparative advantage in the knowledge industries. In recent years our country has been a leading destination of investments in information technology. Intel, Motorola, Oracle, Texas Instruments, Seagate, Fujitsu, Amkor-Anam, NEC, Acer, Cypress—all these icons of the IT industry are present in the Philippines. Quality distinguishes the Filipino IT professional, who finds it easy to work on legacy applications as well as on fourth-generation languages.

Next month—on my way to the Asia-Pacific Economic Cooperation (APEC) leaders' meeting in Vancouver—I shall stop over in San Francisco to address a summit of the information technology industry and meet some of the icons of that industry. I will then proceed to Seattle to visit with Bill Gates.

Together with Microsoft and other leaders of the industry, and with their help, we will seek to develop an IT agenda that will enable us to develop our competitive strength and take advantage of the opportunities that fast-changing technologies are opening up. That we are a latecomer in this field should be no handicap. Because we have no historical baggage of infrastructure and habits, we can adapt to the latest trends relatively quickly.

### **The future lies in interdependence**

My friends, we of the Philippines are bringing down all economic barriers to globalization in the belief that regional security depends primarily on peaceful commerce rather than on military power—and that the future lies in economic interdependence.

This interdependence of which I speak is premised on cooperation—in the first instance, with our neighbors in East Asia, with the United States, with Canada, the European Union, Australia and New Zealand, Russia and the emerging states of Latin America.

The age of protectionism is over. In the global economy and the information age, even the vast Pacific is becoming a mere lake. So we must embrace constructive engagement and interdependence to sustain peace and prosperity. In the spirit of this summit, we must build networks for growth across Asia, Europe and the Americas.

East Asia's achievements so far have been grounded in economic freedom. Political systems in the region may still vary—but the regionwide emergence of market economies is moving them all to citizen participation.

The most dramatic illustration of what the market system can do is China—whose gross domestic product has multiplied more than four times since Deng Xiaoping's reforms began 20 years ago—lifting 200 million of its people from poverty.

### **The market is transforming China**

China today still has some way to arrive at the milder mixtures of central control and political participation practiced in some other East Asian countries. But liberalization and deregulation have already transformed its economy beyond the State's power to manage it.

China's evolution in an increasingly beneficent direction should continue—unless we of the Asia-Pacific community cut off contact, and deprive China of the foreign markets and investments it needs.

This must not happen. Indeed, let me say that the Philippines looks forward to the benefits that would accrue to the whole region by a successful visit of President Jiang Zemin to Washington. We trust it will lead to ever closer relations between China and the U.S., and to closer—deeper—relations all across the Pacific.



China's transformation may be the most dramatic in light of its importance to East Asia and the world. But it is not the only example.

Japan, too, is redefining its future course—after leading the way to East Asia's economic liberalization. We welcome Prime Minister Ryutaro Hashimoto's efforts to enhance the democratization of Japanese society. And we are pleased with his call for broader and deeper Japanese partnership with ASEAN, and with Japan's more active role in regional security affairs, in collaboration with the United States.

I recently visited Russia—a great power now focused on building free economic and political institutions, I told President Yeltsin and his brilliant young advisers that we of East Asia admire what they are doing—and that we will welcome a constructive role in our region for a democratic Russia.

### **Dangers of conflict persist**

Which brings us to one of the world's most potentially dangerous spots. South Korea's economic miracle is well known—as is its progress toward democracy. But the dangers of conflict with North Korea persist. The tentative dialogue going on there encourages East Asia's hopes that even the 40 years of permafrost that have formed between the two Koreas can be thawed enough for the seeds of cooperation to germinate.

Taiwan's economic success story—and its democratic transition—are also well known. There, the missiles of 1996 need to be replaced by the peaceful linkages of commerce.

Events in Cambodia have set back the completion of an ASEAN embracing all of Southeast Asia. But our unanimous compulsion to prevent the region from continuing to be an arena for great-power competition from continuing to be an arena for great-power competition is so strong that Southeast Asia's integration cannot be stopped.

Some people in the United States and Europe gave criticized ASEAN's incorporation of Myanmar as legitimizing a military regime. But, to us of ASEAN, that Myanmar is part of Southeast Asia is reason enough for its inclusion. Our strategic aim is a cohesive, one-family Southeast Asia able to maintain its internal peace, stability and economic vigor.

### **Turning challenges into opportunities**

These national agendas reflect, for the most part, Asia's success stories. But our region's continuing ability to prosper will depend on its ability to sustain economic cooperation, mutual trust and—most important—regional peace. It is enough to raise some questions to illustrate the immensity of this challenge.

What is China's future? How will it deal with Taiwan; and how will it settle conflicting claims to the islands of the South China Sea?

What will be Japan's new role? And how will lasting peace be achieved on the Korean Peninsula? What is Russia's future in East Asia? And how will leadership transitions play out in Southeast Asia?

Turning these challenges into opportunities is the task of East Asia's statesmen. To do so, they will need—not magic wands—but creative minds and strategic boldness.

We want no new Cold War in our part of the world.

Our purpose is engagement among Asians—not the building of fences between them. The only construction we seek is the building of economic infrastructure, the modernization of civil society and the reinforcement of democratic political institutions. And these, we are convinced, trade, investment and development cooperation will promote.

So the new century will require steadfastness and determination from those who lead us. It will also demand that we Asians ensure the participation of our American and European partners in maintaining an equitable balance and economic partnership.

### **The Asia-Europe-America Triangle**

The European Union we East Asians have always considered a beneficent presence. It is, as you know, a full member of our regional political grouping—the ASEAN Regional Forum. The Asia-Europe Meeting (ASEM for short) began with a bang in Bangkok in March last year—with 10 Asian and 15 European heads of state or government plus the president of the European Commission attending.

Since then, our ministers have been busy consulting on practical ways of enhancing Asia-Europe cooperation. Just as APEC is building bridges between Asia and America, so should ASEM weave networks of growth between Asia and Europe.

The triangular relationship among Asia, Europe and America can be a decisive influence on global stability and progress. The three regions together generate almost 80 percent of global GNP and some 70 percent of world trade. There are strong synergetic possibilities in their leading industries.

To maximize this synergy we must continue what this forum has begun—expand economic interaction at private-sector level; upgrade the political and administrative environment of trade and investment; and maintain internal economic growth. And this work is most urgent between Asia and Europe—because between us the networks still are at their weakest.

As the country-partner of host Germany in the Hannover Fair in April 1998, the Philippines can do a lot to bring to Europe's consciousness the fact that even the emerging economies of East Asia have much to offer.

### **The role of the United States**

The role of the United States has been decisive for our security and progress these past two generations. It will be just as decisive over the next 15-20 years.

We of East Asia need the continuing vitality of American markets, capital and technology—and America's continuing commitment to free and fair trade. We also need a breathing spell to develop a new security architecture across the Pacific. The U.S. military presence will afford time for some countries to mature, and for East Asia to develop its own institutions for cooperative security.

America's steadfast engagement in our region lies at the heart of Asia-Pacific peace and of Asia-Pacific interdependence—just as much as it does for the Euro-Atlantic system. The United States will remain essential in the times ahead—not just as a military presence but as a political example and as a powerhouse of the regional economy.

The period ahead must be one of transpacific interdependence or it will fall short of what we can become—on both sides of the Pacific. As we Asians take pride in what we have achieved, I call on our neighbors—and our friends beyond the Pacific Rim—to begin building a bridge of transpacific interdependence for the 21st century.

We need to consult and debate among us—and with our American and Canadian partners across the Pacific Lake—on how to develop this interdependence. If we are to make interdependence work, each of us will have to make some hard commitments. The Philippines is prepared to do its part.

Together, we can build a safer, more prosperous and more equitable Pacific community. If we use our time well, we will have much to celebrate when the new millennium comes just 38 months from now.

## **Declaration of interdependence**

Now to sum up and conclude. I have tried to show why I believe East Asia's economic prospects will continue to be bright—and how we of the Philippines are responding to our wake-up call from the global market for smarter economic management, tighter financial discipline and greater openness to competition and technology.

Beyond these adjustments and innovations in national policy, I believe it is time we together—East Asians, Europeans and Americans—made a declaration of interdependence.

Only by recognizing the common bonds of humanity that link us can we mitigate the hatreds generated by narrow nationalism, petty partisan politics, tribal rivalries and religious extremism.

Only by building networks of friendships among us can we mitigate the downside of globalization—the relentless economic integration of the planet, which some see as threatening jobs and incomes in the rich countries, and reviving forms of human exploitation in the poor ones.

Only by linking our three great regions into a global community of compassion and shared responsibility can we create a decent and moral global society—for ourselves and for those who will come after us.

*Source:* **Presidential Museum and Library**

Ramos, F. V. (1998). *The continuity of freedom : a democratic and reformist society is our unique competitive advantage*. [Manila] : Friends of Steady Eddie.

## **Speech of President Ramos on the centennial of the Biak-na-Bato Republic**

**Speech  
of  
His Excellency Fidel V. Ramos  
President of the Philippines  
On the centennial of the Biak-na-Bato Republic**

[Delivered at San Miguel de Mayumo, Bulacan, November 2, 1997]

### **The of Biak-na-Bato**

### **significance**

ONE HUNDRED YEARS ago today, our embattled forefathers sought to bring to a peaceful end the violence and strife that had swept across the land as our nation struggled to be born—brave honorable men—patriots all. Gathered here in this sacred spot were some 52 revolutionaries to seek an honorable, just and fair peace with Spain, the colonial master. On the second day of November 1897, the first phase of our revolution came to an end. We were engaged in a struggle for the independence of our people and for our right as a nation and to take its rightful place among the free nations of the world.

On this historic site of Biak-na-Bato, where our revolutionary forces were encamped, our forefathers set themselves the task of drafting a Constitution that would enshrine the vision and ideals by which the Filipino nation would live. The assembly, presided by General

Aguinaldo, declared to abolish the departmental-regional system of government by adopting the “*Constitucion Provisional de Republica de Filipinas*,” which the delegates then signed.

### **The goal of revolution**

The government that was established in Biak-na-Bato was the first constitutional republican government in “Filipinas.” Although its Constitution was provisional, its preamble stated: “The separation of Filipinas from the Spanish monarchy and its establishment as an independent and sovereign state with the name Republica de Filipinas, with its own government, is the goal sought by the revolution that began in August 1896.”

The day after the Constitution was signed, the assembly met and elected the supreme council. Those elected were Emilio Aguinaldo, President; Mariano Trias, Vice President; Isabelo Artacho, Secretary of the Interior; Antonio Montenegro, Secretary of Foreign Affairs; Baldomero Aguinaldo, Secretary of Treasury; and Emiliano Riego de Dios, Secretary of War.

Modern constitutionalists will easily discover flaws in the Biak-na-Bato Constitution. The flaws will be seen mostly in the form of omissions or incompleteness. Modern Filipinos want their Constitution to cover most exigencies and details, mainly out of a distrust of their leaders, a distrust owed to martial-law experience. The redeeming virtue of the Biak-na-Bato Constitution was that the handful of men who promulgated it took care that it would be provisional or temporary.

This was the decision of men over whom the people had no means of control or direct influence, whose authority came from abnormal and extraconstitutional conditions, but who fixed their authority to two years, leaving it to the representatives to interpret the people’s verdict.

On the whole, the Biak-na-Bato scheme was an approach to leadership that moderated the government’s authoritarian origins by self-imposed limitations, characterized by grace and conscientiousness of genuine patriotism.

In the light of recent events, it would be wise for us to reexamine our national aspirations in relation to our goals as a nation. Just as our forefathers did one hundred years ago, so now today, must we carefully and thoughtfully weigh the consequences of our actions and their benefits to our people.

### **No miracle cure for our problems**

In the practice of governance and the drawing up of a Constitution, it is clear that the citizens must have the final say. The voice of our people must never be confused with the voice of self-interest or the voice of particular interest groups. In a Constitution, we deal with fundamentals in the lives of our people and of our nation.

Whether it is the Biak-na-Bato Constitution, the Malolos Constitution, the 1935 Constitution, the 1971 or the 1987 Constitutions, our Constitution must be one that reflects truly the aspirations, ideals and sentiments of our people.

A Constitution by itself is no miracle cure for the problems that confront our nation. No single document, no matter how well drafted, can solve our problems. The laws emanating from our Constitution and the programs in implementing the laws give the precise guidelines and action plans that provide our chart for a better future.

But only dedicated men and women who serve the people's will and the people's well-being give life to any Constitution and solve the problems of a nation—men and women endowed with competence and integrity and imbued with idealism and the spirit of self-sacrifice, people who are willing to pay the price for peace and development, and whose love of country surpasses any conflicts with personal self-interest.

This noble objective of the Biak-na-Bato Constitution, General Aguinaldo and his coworkers constantly worked at and fought for. This is the true significance of Biak-na-Bato.

### **Remembering Biak-na-Bato**

This historic site remains very much as it was a hundred years ago, perhaps not as well respected and remembered nationally, as it deserves to be. Perhaps only the local communities and serious historians have given Biak-na-Bato the attention it deserves.

But not anymore. As part of the major events, on my instructions, the National Centennial Commission has designated Biak-na-Bato as one of the sites of the centennial freedom trail. As such, it will be developed into an ecological nature park for ecotourism and for historical remembrance.

This is in keeping with the Ramos Administration's goal of enhancing Filipino pride in the Filipino; of sustaining development and of spreading progress throughout the nation. The prime beneficiaries of this project shall be the residents of San Miguel de Mayumo and its surrounding areas.

Already the National Centennial Commission, the Department of Tourism, the municipal government of San Miguel and the Bulacan provincial government have been working on this project to ensure that it is completed for next year's celebration of our centennial as a nation.

I have also directed several agencies of government, with the Department of Environment and Natural Resources in the lead, to facilitate the drafting of a Presidential Proclamation not later than December 30, 1997, declaring the larger Biak-na-Bato area as a national integrated protected area (NIPA), under our NEPAs system.

### **Showing our appreciation**

On this significant date in our history, let us take the opportunity to reflect on the quality and character of our forebears and the sacrifices they were willing to make to win our freedom as a people. Our revolutionary generals, who fought against superior odds, can stand proud with the national heroes of any other people.

In our daily work let us try to capture a bit of their zeal and dedication, and endeavor to carry on with a similar measure of devotion to duty, honor and country.

This is the least we, the Filipinos of today, can do in the years to come. Let us show to all the strength of our unity, solidarity and teamwork as those of the revolution did 100 years ago.

I now say to you—let's go! Go, Team Philippines, go!

*Source:* **Presidential Museum and Library**

Ramos, F. V. (1998). *The continuity of freedom : a democratic and reformist society is our unique competitive advantage*. [Manila] : Friends of Steady Eddie.

**Speech of President Ramos at the Conference of the Caucus of Asian Liberals and Democrats in collaboration with the Friedrich Naumann Stiftung and the Liberal Party of the Philippines, November 4, 1997 Speech of**

**His Excellency Fidel V. Ramos**

**President of the Philippines**

**At the Conference of the Caucus of Asian Liberals and Democrats in collaboration with the Friedrich Naumann Stiftung and the Liberal Party of the Philippines**

*[Delivered in Manila, November 4, 1997]*

**Democracy with  
an Asian character**

OUR CAPITAL CITY is an appropriate site for this first conference on Asian democracy because the Philippines was the first to proclaim a republic in Asia—in 1898. Although that republic did not survive the thrust of empire, it stamped on our people an abiding belief in democratic government.

Of course, I must also add—for historical accuracy—that the Philippines has often been regarded as proof that democracy does not mix well with economic development. Our fits and starts in the pursuit of progress are known to all.

The last thing we would pretend to be is that we are a model for other countries. If at all, we are probably most useful as a democratic example to study and learn from because of our experiences, our problems and our struggles. And that too must be said of India, Sri Lanka, Thailand and other countries, which in their own ways have struggled hard to achieve and preserve democracy within their borders.

In recent times it has been the fashion to distinguish sharply between democratic and authoritarian governments in the region—to reinforce certain theories of economic development. Those societies that are democratic, it is said, may provide freedom and rights for their peoples; but they have also sired weak governments and are feeble in achieving development. Societies, on the other hand, that are nondemocratic and highly controlled have become the “tiger” economies of Asia—but at the price of curtailing the freedom and rights of their people.

Another tendency of the times is the renewal of the demarcation between East and West in their march to development. The East, it is suggested, has emphasized community, cooperation and discipline, and in this way Asia has become the dynamic growth center of the world today. The West, on the other hand, has stressed individualism, rights and freedom, and these seeded the march of Western capitalism.

**Security is a human right**

Like all contentions, these debates have some basis in fact; but they are also simplistic compared with present realities and historical experience. The media have pounced on these debates with relish, and have sometimes provoked leaders on both sides of the question into delivering stinging statements.

If in this conference we merely rehash these quarrels and echo the rhetoric, we will do nothing to advance understanding and move the cause of democracy forward in our countries. I believe that the most urgent task for our democracies is not evangelizing beyond our borders to make all Asia the haven of democracy. It is rather to share experiences and to focus our minds on common problems, to achieve solutions and move purposefully into the twenty-first century.

Heckling each other on what is best and what is right merely detracts from or, worse, destroys the harmony that is needed for the advancement of all peoples and nations. Instead of forging a common vision of the future, we may be advancing the cause of a new Cold War.

It is true the political scientist Samuel Huntington has forecast that in place of the rivalry between the Soviet Union and the United States, there will now emerge a clash of cultures and civilizations—principally between East and West. I do not share this pessimistic view of world affairs, but we will surely contribute to its emergence if we fall into the trap of insisting that other nations adopt our ways of living, working and thinking.

Being fairly new democracies, with many problems to cope with at home, we in democratic Asia are not on this evangelical road. But we do expect our categorical choice of democracy over authoritarianism to be respected and understood. And when we make the claim that we too are making headway in the struggle for economic development, that deserves as serious an examination as the contention of those who say that the discipline of authoritarianism works better.

### **Freedom and security**

Much of the sensitivity of Asian nations to this supposed quarrel between democracy and discipline is rooted in the circumstances in which we all began nationhood—after World War II and the middle of the Cold War. Because of the challenge posed by world communism, all non-Communist Asian states were caught in a clash between two needs: the need for individual liberty and the need for national security.

Some countries—which literally lived under the shadow of communism—had to adopt stern measures to preserve their statehood, including opting for authoritarian or military government. Other countries did not have to go that far; they only adopted measures against subversion that to some extent restricted civil liberties. The point is that all of us had to make adjustments to the exigencies and seventies of the Cold War according to our circumstances.

Our experience in the Philippines has been such as to discover that both liberty and security are important to our society. From the sum of our trials and tribulations, we have discovered that a free society is safer and more stable than an unfree one; and that security bought at the price of liberty and democracy can only be temporary.

But we have also realized that security is not the enemy of human rights. By dint of experience, we have recognized the truth of what the political scientist Michael Cranston memorably said:

Security is not something which is antithetical to human rights, because security is itself a human right. The security of the individual is bound up with the security of the community; the private enjoyment of a right is bound up with the common enjoyment of the right. The demand for liberty and security is not the demand for two things which can with difficulty be balanced or reconciled; it is the demand for two things which naturally belong together.

These needs are balanced by the rule of law in society. With law that is just and sound, order can be preserved without its being arbitrary. And freedom can be advanced without its being anarchic.

Under the constant pressures and rhetoric of the ideological conflict during the Cold War, it was hard to see these subtleties. Now, with that war over—and with many of our countries finally beginning to succeed in the work of economic development—we see them more clearly. Nearly all our countries appreciate plainly the claims of both liberty and security, of democracy and discipline. Each society must find for itself the balance between these ideals according to its traditions, the character of its people and the circumstances of the hour.

We Filipinos are working toward more discipline, though not at the expense of democracy. For us, discipline and democracy are complementary. The discipline of democracy in the Philippines is greater self-discipline for all Filipinos. It is greater discipline in politics, and less of the politics of patronage. It is greater discipline in the use of public resources, greater discipline in government itself.

### **The Philippine experience**



There is unquestionably virtue in the fact that democracy expands the space for human freedom. But to the poor countries of Asia, democracy has never been—and is not—enough. Democracy must also prove it can work to win economic development.

With their early problems with nationhood, some Asian countries became convinced that economic development must come before political development or democracy. Only after the national economy was on a secure road to growth—where people have jobs and a measure of prosperity—should the widening of the sphere of civil and political rights begin. This is certainly the route achieved by new democracies such as Korea and Taiwan. They developed before democratizing. And this is the argument raised by other countries that are now rapidly industrializing.

This approach commands respect, but some of us here hold to a different view. We believe that economic development can come with democracy, that modernization must move simultaneously in the economic, political and social spheres in order to be lasting and sustainable. This is the approach we have adopted in the Philippines, and we would like to believe we are now proving its efficacy—even if in the past we were mistakenly heralded as the showcase of democracy's economic failure.

During these past two years of reform, rebuilding and renewal, we have not only put our house in order and empowered our people in the struggle for economic development. We also begun to reap the economic dividend. Economic growth has been climbing upward, and by next year we are confident we will attain the same high growth rates as our neighbors.

We have achieved this economic turnaround through policies that are analogous to what the East Asian “tigers” have adopted in their leap forward—but not with the same instrument of political command.

Our democratic politics has been the instrument. We have demonstrated effective government through consensus building. We have avoided gridlock by effecting collaboration and teamwork between the executive and the legislative. And we have enforced the rule of law—which is so vital also to the economy in securing the integrity of contracts and private property—through reform of our judicial system.

### **Democratic politics and the market economy**

We have no illusions about being a model to anyone, but here in our country the market economy lives side by side with democratic politics, and they are not strangling each other, but helping each other. If there is an important lesson to be learned from our experience by others, it may be the realization that freedom need not wait for progress to happen to be given its due. Freedom itself can be a spur to modernization.

I think that Asia has much to learn from the West about building democracy, and the West in turn has much to learn from Asia about fostering community. But the exchange at this time is gravely marred by a lot of static. We cannot hear each other very well.

It is surely mistaken to say that our task in Asia is to approximate the character of Western democracy—as though we were students being graded. This has provoked the rhetoric of Confucian values in our part of the world. Yet beneath the sniping, both sides are actually moving closer in ideals.

In Asia today, clearly there are more democracies than, say, 10 or 20 years ago. In Japan, South Korea, Taiwan, Thailand and other countries, the tide has moved decisively toward democracy. And it is spreading across our continent. In the United States and Europe, on the other hand, there is more talk of community today, to balance the claims of individualism. A communitarian agenda—from “I” to “we”—is spreading on both sides of the Atlantic, as Western governments begin to realize the economic strength that Asian cohesiveness and cooperation confer.

This is well and good. But the truth is, that community from the start was envisioned as integral to the democratic tradition. Democracy's ideologues simply cast it aside.

## **Community: part of the democratic tradition**

What the French Revolution proclaimed was “*liberté, égalité, fraternité*.” Democracy was not supposed to be merely the pursuit and defense of individual rights, as civil libertarians have tended to stress. Nor was it supposed to be only the pursuit and achievement of equality, as the Socialists have tended to emphasize. Democracy was also meant to foster fraternity—which refers to the importance of brotherhood and group cohesion in human society.

The historian Arnold J. Toynbee has said that liberty and equality in the world have become conflicting ideals.

The only genuine reconciliation between these ideals is to be found in the mediating ideal of fraternity. . . . Fraternity is the consciousness of community, the recognition by the members of their fundamental, common enterprise. Democracy’s need for it is on the deepest level of all because it provides the context within which equality can be established and freedom can be protected.

It is in Asia where the sense of community has worked best in helping the progress of peoples and nations. And it is possible that Asian democracy—by being augmented with Confucian values—can achieve the harmony among the three ideals of liberty, equality and fraternity.

Certainly, we should find something to be glad about in the way the conflicts in our region have eased. While dangers remain we are not exposed to the kind of strife that torments the former Yugoslavia, the former Soviet Union and Africa.

These are not things to gloat about. We view them rather as conditions that favor more economic growth and more democracy in Asia.

With their growing economic strength and political confidence, Asian countries, I believe, are all moving toward democracy—though at different speeds. For many of us, the achievement of economic health has been the main priority, because unstable economies produce unstable governments.

But then we also know—we have also come to realize—that prosperity is not enough. As a middle class—well informed and educated—emerges with economic development, the essential human yearning for freedom also rises—and cannot be denied. Democracy, even if not present at the beginning, becomes almost inevitable with economic success.

If the next decade, as many believe, is going to be an Asian decade, I would venture it will also be the decade of Asian democracy. This democracy will not displace Western democracy; it will be a democracy with Asian roots and an Asian character.

We in this gathering represent the vanguard of this kind of political rule. We are learning how to use our democracy to provide healing answers to the primal problems of our societies. We are refining democratic ideology amid the unique conditions and circumstances we live with. And while we do not lecture our neighbors on democracy our ranks are growing year by year.

*Source:* **Presidential Museum and Library**

**NATIONAL GOVERNMENT PORTAL – EDITED AT THE OFFICE OF THE PRESIDENT OF THE PHILIPPINES UNDER COMMONWEALTH ACT NO. 638**

**Speech of President Ramos at the Dinner for the officers of the International Press Institute's World Executive Board**

**Speech  
of  
His Excellency Fidel V. Ramos  
President of the Philippines  
At the Dinner for the officers of the International Press Institute's World Executive Board**

[Delivered at the Ceremonial Hall, Malacañang, November 6, 1997]

**The free press and our world community**

ONE CRITICAL ISSUE that needs to be addressed—by governments no less than by journalists—is the role that the press can play in the building of a better world in the 21st century.

I sense some urgency to this issue as I look upon the turmoil of markets here in Asia and in the rest of the world today. More than any previous crisis that has visited the world in the 20th century, the present travail stands unique in being mainly one of uncertainty. Currencies and stock markets are falling on the expectation of investors and traders that they will decline. In turn, many economies—especially those in Asia—are entering a period of slowdown as a result of the turmoil.

In such a situation, correct information that is accurately reported is of the greatest import. I believe it is the key to dispelling the air of uncertainty. It allows us to distinguish between the real problems that must be faced and the tribulations that only arise from panic. Above all, it will enable us to see what's *really* what in the economies under siege—countries not being all alike in their vulnerabilities and their strengths.

Some governments perhaps will still resist the idea, but the present crisis has demonstrated for us what the International Press Institute had earlier anticipated: that in the era of globalization and high technology, the role of the mass media has been magnified many times over. The limitations of time and space are everywhere being erased. What seems local can become global in an instant. The anxieties of a region can become the anxieties of the world as news flashes on satellite television or the Internet. At no other time are associations like the International Press Institute more relevant than today.

**Democracy and markets**

In its earlier work, the Institute's mission has focused mainly—and for good reason—on promoting the cause of democracy and press freedom throughout the world.

Given the map of the world as we previously knew it—divided by rival ideologies and dominated by totalitarian and authoritarian regimes—it was imperative to press on the cause of freedom for all those engaged in journalism, and the search for justice for many journalists who were repressed, detained or killed.

In this way, the Institute became identified with the Filipino people's own fight for press freedom. During the darkest days of strongman rule, such support and vigilance no doubt helped keep the fires of freedom burning in the heart of Filipino journalists. And in the end, it helped in the success of our nonviolent People Power Revolution of February 1986 that banished dictatorship from our midst.

Today, the Institute plays an even more important role in the free flow of information and the shaping of world public opinion. Modern technology has made it easy for information to move around the world in an instant.

### **The free press as a key to reform**

But the question is often asked if people are being adequately informed for them to make up their minds on the issues and events of the day. Despite the development of the new mass media such as the Internet and the much older broadcasting system, the printed word maintains its important role of helping people make informed opinions. The print media remain bound to the traditional ethical standards of accuracy and fairness, and these in turn are integral parts to decision making in our time.

This underscores what one analyst has observed—that “the connection between market and democracy is basic.” Market divides and distributes economic power as democracy does political power. Markets may lead to concentrations of economic power such as monopolies, cartels or oligarchies, which can be dangerous or inefficient or both. And democracy, if narrowly conceived as simple majority rule, may lead to oppressive combinations of political power.

Whether the problems are in the market or in politics, the service rendered by a free press is indispensable—as the key to correction, change and reform.

As we brace ourselves for the challenges and opportunities of the 21st century, for the press to maintain its role as the cutting edge of change is a universal imperative. Allow me to suggest that it is important for the media to keep their standards high, as the Institute has zealously espoused. For it is not enough for you or the Institute or national leaders like me to extol the virtues of press freedom. The press must itself demonstrate the good that such freedom brings to society and our world community.

While we should celebrate the glorious work of the press in liberating so many societies from ignorance and oppression, we cannot be blind to the sad consequences that arise when standards of accuracy and fairness break down.

### **Excesses of paparazzi journalism**

We can hardly be insensitive to the excesses of paparazzi journalism that led to the tragedy of Princess Diana. Nor should we be unmindful of the kind of partisan or one-sided journalism that has disfigured democracy in many societies.

It is in championing high standards of journalism side by side with the promotion of press freedom that the International Press Institute has been especially helpful—especially to developing societies like the Philippines. In both these causes, the Institute has served as a vital source of counsel to both governments and journalistic communities. In serving the causes of press freedom, it has also spurred appreciation of the great responsibility of the press in society.

Upon these twin causes of freedom and responsibility the world of the press will always revolve—regardless of how many times the world may turn. As challenges come and go, as leaders pass from the scene and new ones emerge, the public, local and international—can only be well informed and act wisely to the extent that the press is free and responsible.

It is a great blessing that in these closing years of the 20th century, the tradition of a free press—which first began in the Western world—is now spreading its light in the other continents, including our own part of Asia. I fervently believe that this boon to human society will soon enough reach all countries throughout the world in the coming century.

Ramos, F. V. (1998). *The continuity of freedom : a democratic and reformist society is our unique competitive advantage*. [Manila] : Friends of Steady Eddie.

**NATIONAL GOVERNMENT PORTAL – EDITED AT THE OFFICE OF THE PRESIDENT OF THE PHILIPPINES UNDER COMMONWEALTH ACT NO. 638**

**Speech of President Ramos at the Asia-Pacific Clean Up the World Conference**

**Speech  
of  
His Excellency Fidel V. Ramos  
President of the Philippines  
At the Asia-Pacific Clean Up the World Conference**

[Delivered at the Heroes' Hall, Malacañang, November 7, 1997]

**Let us be stewards of creation**

I EXTEND our warmest welcome to this gathering of Asia-Pacific environmentalists, and I am happy that you have included on your priority agenda a summit on how to mitigate El Niño and conserve water.

It is through international meetings such as these that we can develop meaningful strategies to initiate, implement and monitor cleanup efforts effectively in the region and also to confront the El Niño crisis.

Environmental problems are no longer just the concern of any one nation, because they do not stop at national boundaries.

To effectively attack many of the problems facing the environment, regional and global cooperation is essential. A successful outcome requires that each country participate in drawing up and carrying out sound environmental policies that have been firmly established by multilateral agreements.

Cooperation is also called for in the exchange of scientific information as well as the exchange of experiences as to how problems have been tackled at the national level. All relevant information should be shared regionally and worldwide so that the problems of environmental protection and conservation can be more comprehensively confronted. Such cooperation and exchange of information will also enable us to set up early warning systems that will give us a time advantage in facing impending crises.

**No country should stand alone**

Planet Earth is our common home and we must all strive to protect it. Despite the magnitude of the tasks with which we are faced, no country should feel that it is solitary that it stands alone. Each nation can draw strength from the fact that there are people around the world who are united in their efforts to forge a stronger global community spirit and to elicit greater global cooperation.

We would have to be living on a different planet to be unaware that our world has a major problem in freshwater. Yet, today in 145 countries, there is a deepening global freshwater crisis, which is being highlighted by the numerous Clean Up the World Groups that are concentrating their environmental activities on restoring local waterways.

According to a recent report prepared by the United Nations Commission on Sustainable Development, by the year 2025, two-thirds of the world's population will be suffering from "water stress" as a result of water shortages caused by overuse and pollution.

Every year, about 5 million people die from diseases caused by unsafe drinking water. Approximately 80 percent to 90 percent of all diseases, and more than one third of all deaths in developing countries, are considered related to contaminated water. It is reported that 25,000 people die each day as a result of poor water quality.

Water is not just a local or national problem. Water is often a regional problem. About 300 major river basins cross national borders—and rivers flow across these borders. Water is seen as a valuable resource and can become a cause of friction. In such cases, cooperation between neighbors as to the supply and use of water is imperative.

United Nations Environment Program director Elizabeth Dowdeswell has stressed that freshwater is arguably the most precious of our planet's resources because freshwater is basic to human life. One would expect that human beings would go to great lengths to ensure a sustainable and readily accessible supply of such a critical resource. But the unfortunate reality is that we often take some of the most simple but most important things in life for granted. It is only when they are gone that we realize their true value.

### **Water cleanup efforts**

This year, the Clean Up the World Group has committed itself to making an impact globally on the problem of water pollution. In different countries, environmental activists have concentrated their best efforts on restoring local rivers that have been polluted by sewage and have prevented others from being polluted. Beaches were another focus of attention. Cleanups were made on beaches all over the world.

In the Philippines we have been confronted with the problems of the mine tailings spills in the Boac River, and the massive mercury poisoning in the rivers and bays of Eastern Mindanao from gold mining in Mount Diwalwal.

These problems were taken up in the Advisory Committee on Protection of the Sea ministerial conference on protecting the seas from land-based pollution, which was hosted by the Philippines last year. That conference was convened by Senator Heherson Alvarez as vice president for the Asian region, and we commend Senator Alvarez for his efforts in the Senate regarding these problems. We are committed to the program of action agreed upon in that conference, and as a result, the offending companies were ordered to take prompt cleanup action.

### **Massive fishkills**

Another problem with water resources in our country concerns massive fishkills. In critical areas like Laguna Lake, Taal Lake and Lingayen Gulf, I have ordered the dismantling of fish pens that pollute the lakes and their tributaries. The problem is exacerbated by overstocking and by excessive use of commercial feeds. Besides hampering the natural flow of the river and obstructing navigation, fish pens and cages reduce the fishing grounds of municipal fishermen.

We are also taking steps to improve local waterways by monitoring pollution levels and initiating cleanup efforts at the local level for rivers, creeks, canals, ponds and beaches.

Since prevention is better than cure, we have a program to educate people on refuse disposal and to explain to them that if improperly disposed of, rubbish tends to end up in local waterways.

### **El Niño is back**

One only has to read the newspapers and feel the temperature to know that the impact of El Niño is already being felt in our land.

World experts predict that a 3-to-8 degrees centigrade rise in temperature in the Western Pacific Ocean, covering an area about one and a half times that of the United States, and a sea-level rise of 15 to 30 centimeters will cause the worst El Niño phenomenon in 150 years. Global warming and the resulting rise in sea level have been identified as

the cause of El Niño, which inflicts extreme drought in the Western Pacific and extreme rainfall accompanied by cyclones, hurricanes and snowfalls in the Eastern Pacific.

According to Pag-asa, our local weather bureau, the country has experienced four El Niño episodes—1948-59 (12 years); 1961-73 (13 years); 1974-88 (15 years); and 1989-97 (8 years and continuing). Within these prolonged periods, there were two extreme El Niño-related droughts during the periods of 1982-83 and 1991-92.

The 1982-83 drought cost the world an estimated US\$13.5 billion and US\$400 million (P12 billion) in damages here at home. The 1991-92 drought cost the Philippines P4.1 billion and extensive power brownouts.

El Niño is hitting us now in this last quarter of 1997 and is expected to be around until the middle of 1998, and in some regions for up to 18 months. We are now in what is expected to be the critical months—November and December, when some of our provinces will not have enough rainfall to sustain crop production. Metro Manila may possibly face a shortage since the water in a number of the dams supplying water to the city is approaching a critical level.

### **Dealing with the situation**

Preparations have, however, been made and are being made to deal with the situation. I welcome the action agenda drawn up by the national summit of the Asia-Pacific Conference on Clean Up the World, to deal with the droughts that El Niño will bring, and also with floods that its twin—La Nina—may carry.

We will do our best to ensure that the long-term and short-term—action agendas that this national summit has drawn up will be carried out. We appreciate the support of the United Nations Development Program for its help in raising public understanding of El Niño.

To highlight this meeting and its noble purposes, I have proclaimed November as Clean Air Month to concentrate on emission control and the cleanup of engines and factories.

With Presidential Proclamation 244 recently promulgated, I have also declared September “Clean Up the World Month,” and from the 17th to the 23rd of September “Clean Up and Green Week” every year.

In closing, let me say that every problem we face should be looked upon as a challenge to be addressed squarely. There are no easy solutions, but solutions can be found. There are no quick fixes, because the problems are complex. Neither should we expect cost-free solutions.

But the problems can be solved, whether they be national, regional or global, if we are willing to work together on the basis of accurate information and collective action.

On behalf of our people, I convey our highest commendations to all of you who are engaged in this great and noble enterprise of protecting and preserving the environment. Let us not forget that we are only stewards of creation and that we must take good care of our planet Earth, our common home.

*Source:* **Presidential Museum and Library**

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**Speech of President Ramos at the opening ceremonies of the 5th Asian and Pacific Ministerial Conference on Social Development Speech  
of  
His Excellency Fidel V. Ramos  
President of the Philippines  
At the opening ceremonies of the 5th Asian and Pacific Ministerial Conference on Social Development**

[Delivered at the Philippine International Convention Center (PICC), Manila, November 10, 1997]

**Social  
in the Asia-Pacific**

**development**

WE ARE HERE TODAY not to begin a program—but to search for ways to speed up the achievement of our goals. Many of you will remember that it was also in this hall where we first drew up the Manila Declaration on Social Development in the Economic and Social Commission for Asia and the Pacific (ESCAP) region and the corresponding Agenda for Action on Social Development in 1994.

At the time, the senior officials and the ministers had to work overtime to complete the declaration and agenda for action, which reflected the common vision of three-fifths of humanity spread across the 54 countries represented here.

The same declaration and action agenda were carried all the way to the World Summit on Social Development in Copenhagen in 1995, during which I articulated the concerns of the Asia-Pacific and of the developing countries (or Group 77). And when we now carefully review the Copenhagen Declaration and Program of Action, we can justifiably claim that we have integrated our Regional Social Development Agenda with the World Social Development Agenda.

Today, in this conference, we survey the extent of the ESCAP region's implementation of the Regional Social Development Agenda.

**Three years of progress**

Turmoil and uncertainty grip many countries in our region today, and a new shadow hangs upon the economic miracle that has made Asia-Pacific the most dynamic region in the world.

This does not diminish the fact that over the past few years, we have—severally and together—made substantial progress in social development.

The region's economic dynamism during this final decade of the 20th century has not only raised many countries to the threshold of economic modernization; it has also manifestly improved the well-being of our millions.

Poverty incidence has been dramatically reduced in many countries and, just as important, health levels have improved across the board—enhancing the efficiency, productivity and quality of labor in many economies.

The old notion of our region's vast population as a burden that would hamper the future of our countries has been turned around, and the new wisdom is that people—their youth, their energy and their numbers—underpin the great adventure of development in our part of the world.

And when the anxieties of the present passes over—as I am convinced they will—it will again be our people, on all sides of the Pacific, who will lift us to heights of social and economic progress in the 21st century.

Each country brings to this conference its own unique experience in carrying out the objectives of ESCAP's Social Development Agenda. And what each of us has to report will no doubt enrich our common fund of knowledge in the quest for social development—helping us to better understand the problems and to perform more effectively in the future.

In this spirit then, allow me to provide you with a brief perspective of our work here in the Philippines.

### **The Philippine experience**

In support of the Regional Social Development Agenda, we have geared our policies and programs toward dealing with poverty unemployment and underemployment, social inequity, and family disunity. This is clearly articulated in our "Philippines 2000" program and in our Medium-Term Philippine Development Plan for 1992-98. Given the context and situation where we started from, we have great reason to be encouraged that our human development strategy is working and continues to forge onward.

We have reduced poverty from 40 percent in 1991 to 34 percent in 1996.

We also have a more healthy population, as life expectancy has been raised from 66.6 years in 1993 to 69.4 years in 1997. Our infant mortality rate has also significantly decreased from 52.0 per 1,000 live births in 1993 to 45.8 in 1997, while our crude deathrate decreased from 69 per 1,000 population in 1993 to 63 per 1,000 population in 1997.

Rising employment has come hand in hand with our economic recovery and growth during the past four years. The unemployment rate dropped from 9.8 percent in 1992 to 8.6 percent in 1996, to 7.7 percent as of the first semester of 1997, even as more jobs have been generated at the rate of more than a million a year.

### **Access to the knowledge industry**

In education—to which we of the Philippines have historically always attached much importance—we have vigorously widened access to skills upgrading, to education services, to culture and to the knowledge industry. Our elementary participation rate increased from 85.2 percent in school year 1993-94 to 94.3 percent in school year 1996-97. High-school participation rate in turn has risen from 56.6 percent to 62.6 over the same period.

At the same time, we have been providing a policy environment conducive to popular participation in public affairs, in community development, in nation building. We have institutionalized participation of our non-Government organizations and people's organizations in policymaking bodies such as the Philippine Council for Sustainable Development, which is our institutional mechanism for carrying out the Agenda 21 commitments.

In other international commitments, we have also provided for social participation in the Multisectoral Committee on International Human Development Commitments, which is under the social development committee of the National Economic and Development Authority board.

This is our main mechanism for coordinating and monitoring the implementation of the commitments made during the 1995 World Summit on Social Development in Copenhagen, the 1994 Manila Conference, the International Conference on Population and Development in Cairo in 1994, the Fourth World Conference on Women in Beijing in 1995, and the Second International Conference on Shelter and Human Settlements in Istanbul in 1996.

All these have given Philippine society a conducive environment for socioeconomic participation. For we believe that it is only through working hand in hand with our development partners—the non-Government organizations, people's organizations, cooperatives, leaders of the private sector and the rest of civil society—that our development goals will be attained.

### **Greater role for Local Government**

We have also provided mechanisms to encourage a greater development role for our Local Government units. Through our 1992 Local Government Code, we have enabled lower levels of government to set priorities and decide matters in their own spheres of competence through a combination of consultative, legislative and executive mechanisms. To ensure the Local Government units' absorptive capacity, we are continuously undertaking efforts at capability building.

Finally, we have put in place a nationwide social reform program known as the Social Reform Agenda (SRA). Our target population groups for our SRA are farmers, fisherfolk, indigenous people, workers, the urban poor and members of various vulnerable groups such as children, youth, women, the elderly and the disabled. The other core areas are institution building and effective participation in government, improvement of access to credit and increasing livelihood opportunities.

In line with our SRA, we have convened several national consultative summits to deal with specific areas of concern. Among them are the Employment Summit in October 1995, the National Antipoverty Summit in March 1996, the National Productivity Summit in September 1996 and the recently concluded Antidrugs Summit.

### **Improving the human development index**

Ranged with the rest of the world, the human development index of the Philippines has improved over time from 0.56 in 1980 to 0.68 in 1994, as shown by the United Nations Development Program's Human Development Report. When the new measurements are made, we expect the index to improve further during the past three years because of our all-out effort to carry out basic social development programs.

In relation to this, the Human Development Report cited the Philippines for setting the pace for gender equality and women empowerment and development among the ASEAN countries. This part of the index examines whether women and men are able to actively participate in our economic and political life, and take part in decision-making.

Women continue to have an inadequate and inequitable say in development as shown by the following female composition of the higher decision-making positions in 1995: 17 percent in the Senate; 10 percent in the House of Representatives; 35 percent of the Cabinet; 12 percent of the governors and 8 percent of the mayors throughout the country. But the women and most of the men are working hard at this—including myself.

### **Roadblocks and problems**

In enumerating all this, I do not want to leave you with the impression that our work in social development is proceeding without a hitch. There are many problems, issues and challenges we are facing today.

The pace for improvement in some areas may not be fast enough to achieve our international commitments. For instance, while it is likely that we will meet our interim target of bringing down poverty incidence to 30 percent in 1998, it is another thing to say whether we can eradicate absolute poverty by the year 2010.

In the area of financing human development, resources, even with the support of a more energized private sector, remain inadequate.

In the area of employment generation, for the period 1991-95, for every 100 new jobs created, about 119 new entrants were competing for them. Around 2.5 million workers remain unemployed yearly. This inadequacy of jobs is one of the reasons for the migration of skilled Filipino workers abroad. Some four million of our people work overseas in 130 to 135 countries.

Our experience only goes to show that there is no magic bullet to slay the poverty challenge and other social problems facing developing countries like the Philippines. Changes and reforms are not achieved overnight; they are achieved step by step. And programs must be designed well and carefully carried out through political will and collective effort.

What should hearten us is that some progress is being made in this country and across the entire Asia-Pacific.

We all have a clearer picture of what must be done: a more conducive policy and program implementation environment, and greater access to human development opportunities and services, including those that may be afforded from non-Government services.

We also know better the inadequacy of resources for human development in the context of the 20:20 initiative and the still far-from-satisfactory access to social services, especially of women and children.

To meet the problems and challenges more effectively, we need to raise consciousness for the needs of social development to the forefront of our concerns as nations—equal in urgency and attention to political stability and economic growth.

### **Unity and resolve**

I join my voice with others therefore in urging the regional and global community to devote more resources to priority social development programs to attain the 20:20 compact of development. At national level, I enjoin our governments to continuously increase spending for human development priorities.

This Fifth Asian and Pacific Ministerial Conference on Social Development is a grand opportunity for us to renew our resolve to deal with the challenge together—and to collectively redeem our solemn commitments so eloquently expressed in the 1995 Agenda for Action on Social Development.

To the global community, let us present a picture of unity and resolve: that we of ESCAP will collectively deal with the human development challenge in our countries and throughout our region, and that we will not rest until we have secured a better future for our peoples and our societies.

This is our work today and in the days ahead.

*Source:* **Presidential Museum and Library**

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**Speech of President Ramos at the launching of the Pre-APEC 1997 Folio “Philippine Initiatives in Vancouver”**

**Speech  
of  
His Excellency Fidel V. Ramos  
President of the Philippines  
At the launching of the Pre-APEC 1997 Folio “Philippine Initiatives in Vancouver”**

[Delivered in Malacañang, Manila, November 10, 1997]

**Our  
for Vancouver**

**blueprint**

WITH THE APPROACH of the next Asia-Pacific Economic Cooperation (APEC) Economic Leaders’ Meeting in Vancouver, I am delighted at this opportunity to share with you our ideas about what the Philippines hopes to achieve at that forum.

The Philippines has been firmly committed to the APEC process of building a community in the Asia-Pacific region based on free and open trade and investments.

**In the eye of the storm**

We want to continue freeing the spirit of Filipino enterprise from decades of overregulation, and open to our industries the wide world of global information, technology and competition.

However, all the Vancouver summiteers are keenly aware that they will be meeting in the eye of the economic storm that we—among many other countries in the Asia-Pacific and other regions—have been going through these past four months.

At the outset, let me say that I have no doubts whatsoever that we will weather this storm, perhaps better and sooner than our neighbors, and that my optimism is shared by many independent observers.

Nonetheless, the currency situation has raised many concerns and questions that will certainly be raised again at Vancouver. Some pessimists have been quick to call it the “unraveling” of the so-called East Asian economic miracle.

Has the period of high growth for East Asian economies indeed come to an end? My quick and blunt answer is “no.” In my remarks before the World Economic Forum in Hong Kong last month, I pointed out that the economic fundamentals of the countries in the region remain strong.

I also observed that the security underpinning of regional stability remains in place and, in fact, is bolstered by growing economic interdependence within the region. Opportunities remain open for the countries in the region to catch up with the more advance nations.

**No stranger to hard times**

The Philippines, of course, is no stranger to difficult times. We have endured situations and dangers far worse than the difficulties we now encounter. And even in the midst of crises such as those following the oil price hikes of the 1970s and the assassination of Ninoy Aquino in 1983, we did not step back from carrying out urgent and sweeping reforms needed to stabilize and strengthen our economic, social and political life.

The foreign debt burden that had long weighed down our growth has since been significantly lightened. We lifted controls on interest rates, prices, wages and foreign-exchange rates. We returned to the private sector those enterprises that were properly theirs to run, and restored their status as the main agent of economic change.

We dismantled the monopolies in key sectors of the economy. We removed quantitative restrictions on imports. We opened up the economy to foreign investors, and started the process of removing or at least lowering tariff rates. We also rehabilitated the banking system and cleaned up the books of the former Central Bank, the Development Bank of the Philippines and the Philippine National Bank.

### **Discarding failed policies of the past**

And in the last five years, we have seen the economy grow as we committed ourselves to liberalization and deregulation, and carried out a more intensive tariff-reduction program. We took measures to discard the failed inward-looking policies of the past and to allow effective ways for people to pull themselves up from poverty through their own individual and collective efforts; through their productive participation in the economy; and through equitable sharing in the fruits of its growth.

Indeed, though growth may now slow down for a while, we are far from being in an intractable crisis. If anything, our current difficulties serve as a useful wake-up call for us to see those fundamental aspects of our economy that need to be strengthened. The troubles of the last few months have provoked a reexamination of policies that left us vulnerable to the contagion now infecting the region.

On the home front, we will work, with ever greater zeal, to firm up our economic fundamentals. We will strengthen coordination between our fiscal and monetary operations so closely that they will reinforce one another to ensure economic and price stability.

We are reviewing regulations in the financial sector to adopt more prudent financial policies based on the disclosure and transparency. We will continue to pursue liberalization in banking and other financial services but with the proper phasing and sequencing. The present currency situation will not deter us from our effort to pole-vault the Philippines into becoming a competitive financial center in this part of the world.

### **A cooperative response**

Even as we seek improvements as quickly as possible, we cannot forget that we are facing a regionwide problem that has affected principally the members of ASEAN. ASEAN has been one in absorbing the impact of this currency turmoil, and so ASEAN must be one in solving this problem.

This recourse to cooperative response is nothing new to ASEAN. If regional cooperation is needed to solve this regional problem, then the Philippines, as ASEAN chairman, will take the lead in securing that cooperation.

The first promising steps to strengthen macroeconomic fundamentals are being taken. They must be sustained. Individual, domestic policies, however, will not fully deal with the region's problems. ASEAN economies are sufficiently integrated as to be taken together as one, and ASEAN economies must work and collaborate closely with one another on this problem. It is in the interest of our economies, in ASEAN as well as in APEC and in the wider international community, to see a rapid restoration of financial stability in the region.

Thus I intend to raise, in the Economic Leaders' Meeting in Vancouver, a call for much closer integration in monitoring, in promoting sound practices to reinforce our macroeconomic fundamentals, in supervising the banking system, in developing the capital market, in improving transparency and in properly phasing in reforms so that they are in step with the deregulation and internationalization of financial markets.

I also intend to raise the issue of an APEC endorsement for developing a financing mechanism that would augment IMF funds in the region. This would assure economies of the availability of financing as they pursue needed reforms

and adjustment measures in conjunction with the IMF. It would institutionalize what in fact many APEC economies have done for Indonesia and Thailand.

These constitute clear substantiation of the framework principles we adopted in Manila in strengthening economic cooperation and development.

### **Completing a Financial Services Agreement**

Last year the economic leaders gave a substantial boost to the World Trade Organization (WTO) by giving their strong endorsement to an Information Technology Agreement. This year the leaders will have another opportunity to push for the completion of a Financial Services Agreement under the WTO by December.

I shall propose in Vancouver that economic leaders endorse the conclusion of the negotiations of the Financial Services Agreement.

In view of the unprecedented number of submissions from various APEC economies for sectoral liberalization, I will bring up with the other economic leaders the desirability of committing ourselves to working on two to three sectoral liberalization agreements, preferably under the WTO, in the next two to three years. This gives us more opportunities for taking full advantage of the markets opening up all around us.

We will also call for a formal review of APEC's progress by 1999, the tenth year of APEC. We expect this to give impetus to the implementation of the Manila Action Plan for APEC of 1996 (MAPA '96). I also intend to recommend to the other APEC economic leaders the prospect of inviting all the other members of the WTO to adopt the Bogor ideal of free and open trade and investments by 2010 for developed economies, and 2020, for developing ones.

### **Reorienting our enterprises to the world market**

We must exert efforts to implement as much of MAPA '96 as quickly as possible. We are onstream in carrying out our tariff reform program by bringing down for example, the simple average tariff from around 15 percent in 1996 to 12 percent in 1997.

We are committed to enhancing our Individual Action Plan to sustain the MAPA '96, which bears our name. We have made new commitments in services, in standards and conformance, and in customs procedure. Much remains to be done to expand liberalization, and we will keep on improving our Individual Action Plan to enhance Philippine competitiveness as we move forward our Bogor goals.

APEC gives us the opportunity to reorient Filipino enterprises to the large global market. We have a long way to go toward creating a market economy that is truly free. These are steps that we should take to throw away once and for all the baggage of protectionism, of false nationalism and of inward-looking policies that have merely perpetuated our poverty.

### **Economic and technical cooperation**

Our third area of initiatives will be economic and technical cooperation. We wish to place this third pillar of APEC on a par with trade and investment liberalization and facilitation. The importance of eco-tech activities in the financial sector has already been noted.

We will need to push for greater effectiveness and efficiency in economic and technical cooperation so that complementary and mutual reinforcing linkages are actively promoted. This means bringing those principles down to programs for actual implementation.

In line with the Canadian Prime Minister's desire to engage the women and the youth fully in APEC, I have offered to host the ministerial meeting on women's concerns in 1998.

Now to sum up and conclude: APEC trade and investments, complemented by economic and technical cooperation, are only the means to a higher goal. Growth and development are what we are after, with prosperity and progress in the Philippines as the final goals.

The key, however, is to ensure that progress is sustained. We advanced the APEC process further last year in Manila and Subic. As past chairman of APEC, I intend to support the efforts of Chairman Prime Minister Chrétien in Vancouver.

### **Working together as 'Team Philippines'**

The folio "Philippine Initiatives in Vancouver" provides us with valuable contributions as we pursue the Philippine agenda at APEC, and rest assured that I will study its insights and recommendations very carefully with a strategic eye.

As Filipinos, we are challenged to work more closely as "Team Philippines" in pushing APEC forward, and in promoting a wider and deeper consciousness among our people of APEC and of our role in regional affairs.

*Source:* **Presidential Museum and Library**

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**Speech of President Ramos on the acceptance of the Honorary Doctorate conferred by Waseda University**

[Delivered in Tokyo, Japan, November 18, 1997]

## Asia

In more recent years Japan has become East Asia's largest trading partner, its biggest foreign investor and its largest giver of official development assistance.

Today—like the whole of East Asia—Japan is at a time of transition to new political, economic and even cultural forms.

Next month in Kuala Lumpur, the nine heads of government of ASEAN (the Association of Southeast Asian Nations) will meet with the three heads of government of Japan, China and the Republic of Korea in what will be the first of yearly East Asian leaders' summits.

These informal, personal, yet productive meetings affirm our mutual recognition of East Asia's increasing interdependence—our mutual recognition that the force of arms—which had for so long arbitrated the relationships between nations—is giving way to a more benign regime of mutual benefit.

### **A more open Japan**

Here in Japan, the reforms that the government of Prime Minister Ryutaro Hashimoto has begun should produce a more open, a more competitive and a more democratic national society.

Together with the larger regional role that this country now seems willing to take, these reforms should enhance Japan's role in all three aspects of East Asia's collective life: its role in East Asian security—in East Asian development—and in realizing the vision we share of an Asia-Pacific community.

Let me begin with a survey of Japan's role in the security of East Asia.

Most modern states have come to define their security in terms larger than military. Strategic frameworks more and more include economic, political and social factors as well.

Today the globe that the foreign policymaker must contemplate is less and less a world of "sea-lanes" and "chokepoints." Military power is less and less necessary to acquire foreign markets or protect raw-material sources.

Indeed, for the richest countries of the globe—the mature democracies of western Europe and North America—war has become obsolete as an instrument of their geopolitical competition.

Even here in East Asia, the vigorous growth of our economies and the liberalization of our policies enable us to hope the time will soon come when our mutual security will depend no longer on arms and alliances but on peaceful commerce and integration into one interdependent East Asian community.

### **A broader and deeper partnership**

The call that Premier Hashimoto made, in Singapore last January, for a "broader and deeper" partnership between ASEAN and Japan—the proposal which became the seed-concept of December's first Asian Summit—fits into the context of this larger definition of national security to which most of our countries now subscribe.

Premier Hashimoto's proposal reaffirms Prime Minister Takeo Fukuda's doctrine of "heart-to-heart" diplomacy of 1977—during which he renounced a military role for Japan while also spelling out its integrating and economically stabilizing role in Southeast Asia.

Like its neighbors in ASEAN, the Philippines wants to see today's Japan integrated fully into the world community. Within the context of structural reforms in the United Nations system, the Ramos Government supports Japan's candidacy for a permanent seat in the Security Council.

We are confident that Japan will exercise its global political role on the side of peace—which Japan needs more than any other great power—because of its worldwide trade and investments, its scarcity of natural resources and its extreme vulnerability to nuclear conflict.

## **Both ASEAN and Japan benefit from multilateralism**

On the concept of managing regional conflicts of interest through a broad and sustainable consensus among the past Asian states, my Government regards the interests of ASEAN and Japan as converging and mutually beneficial.

ASEAN's strategic framework calls for balancing its security, economic and technological relations with all the great powers. For Japan, the same kind of multilateralism gives it the framework within which to articulate its new policies without appearing to be either overbearing or insensitive to its neighbors.

In a word, multilateralism gives Japan the framework for dealing with East Asia's historical fears of an overly assertive Japan.

Premier Hashimoto proposes a two-track approach to East Asian security. The first is to promote "subregional cooperation to settle disputes and conflicts." The second is to promote "regionwide political dialogue to enhance a sense of mutual reassurance."

These proposals conform substantially with ASEAN's own approach to regional stability.

ASEAN integration has not only sublimated various subregional conflicts. ASEAN unification also safeguards Southeast Asia from the interventionism of outside powers, and unification has given ASEAN the self-confidence to take the initiative in regional peacekeeping. Thus its ASEAN Regional Forum has become the Asia-Pacific venue for political dialogue and mutual reassurance.

## **Alliance backs East Asia's stability**

The Asia-Pacific's greatest security concern is how Japan, China and the United States arrange their triangular relationship.

We of the Philippines can understand how much-debated the new guidelines to the U.S.-Japan mutual defense treaty must be in this country—and among you, the young people here at Waseda. But I would say they are generally welcomed in ASEAN—where the U.S.-Japan alliance is seen as underpinning and reinforcing East Asian stability.

These new defense guidelines give Japan the opportunity to rise above its Cold War alliance with the U.S. for it corrects the inherent anomaly in a country of Japan's economic power and political nationalism merely remaining as a strategic client of the United States. Now, Japan can play a less passive role in dealing with conflict stations in East Asia—while also enabling the United States to count on a regional ally that would share with it the costs of maintaining peace in the region.

Until our individual countries have gained enough mutual trust to organize themselves into a viable cooperative security system, regional peace will have to depend on a balance of power. Yet—without the American presence—no combination of regional powers can provide a credible counterweight to a resurgent China.

Security intellectuals have pointed out that an East Asian balance-of-power system *without* the United States would demand a much higher level of military capability—including nuclear arms—for Japan as well as for other East Asian powers. In this sense, the U.S.-Japan alliance assures East Asia—including China—that Japan will not need to rearm independently.

## **Japan and East Asian development**

Let me now turn to Japan's role in East Asian development.

I have noted Japan's decisive influence on the East Asian model of development—and its impact on the individual East Asian economies. For instance, Japan is the Philippines' most important partner in development cooperation—and its second largest partner, foreign investor and source of tourists.

Already Asia has become Japan's biggest export market. The continent as a whole buys from Japan a third more than it does from the United States, and more than twice what the European community buys from Japan.

Since April 1996 Japan's total trade with Asia has been surpassing Japan's trade with the United States and the European Union *combined*.

As one may expect, however, aspects of this economic relationship need a great deal of improvement. One problem is that of indigenizing—or simply stated, increasing the “local content” of—the management of Japanese industries that have relocated to East Asia as a consequence of the rising yen.

One estimate is the 13 percent of all Japanese manufacturing will be done *outside* Japan by the year 2001—much of it in Asia. Yet Japanese industries relocating to East Asia hire fewer local managers than their American and European counterparts do. They also apparently resist more liberal technology transfer.

On a more general level, Japan's East Asian trading partners complain about the difficulties of access to Japan's home markets. Japan's recent protracted recession—by contracting its imports—have also hurt its East Asian trading partners. But some of these problems should be eased by the financial and economic reforms the Hashimoto government is putting in place.

### **The uses of official development assistance**

Japan's political uses of official development assistance (ODA)—the bulk of which goes to East Asia—is widely praised because it contrasts so sharply with its use in earlier times—which was then primarily to secure East Asian markets for Japanese industries.

Political conditionalities attached to ODA grants are now used to nurture the market system—to promote human rights, to enhance civil liberties and to upgrade the skills of ordinary people—and to promote environmental conservation in recipient countries. In China—the biggest recipient of ODA (it received almost 800 million yen over the last five years)—Japan has been using its aid program to discourage the testing of nuclear weapons.

How is the all-important triangular relationship between Japan, China and the United States likely to develop over these next 10-15 years?

On its outcome—in my view—will hinge our ability to replace our security arrangements based on the military balance with a new form of mutual security based on beneficial economic interdependence and social cooperation. On its outcome will hinge our collective ability to realize the vision all our peoples share—of a peaceful, free and prosperous Asia-Pacific community.

### **Leader of the ‘flying geese’**

I believe the future of the Japan-China-U.S. relationship will depend on how key regional problems are resolved.

One positive influence would be a gradualist unification of the separated *half*-nations on the Korean Peninsula.

Equally important would be a mutually agreed-on resolution of the problem of China and Taiwan—a resolution inextricably linked with the progress of creeping democratization in China.

Still another key factor in the triangular relationship would be the effectiveness of a multilateral regional framework such as the ASEAN Regional Forum and APEC, which is our Asia-Pacific Economic Cooperation Forum.

In all of these future scenarios, Japan is intimately involved. On the Korean Peninsula, in fact, its potential influence may be stronger than even that of the United States. Japan is also a leading member of both the ASEAN Regional Forum and APEC.

In economic terms, Japan is the powerhouse of East Asia. It is the leader of the region's "flying geese" pattern of development. But, in recent years, Japan's wings have begun to falter.

If Japan is to live up to East Asia's expectations, it must show it can restructure its corporatist economic culture to a more flexible pattern of comparative advantage that is more decentralized and encourages more and more individual intelligence, innovation and creativity. This is an imperative that all players, big or small, cannot escape in our modernizing and globalizing world community.

### **Suiting our societies to the new century**

Now let me sum up and conclude.

Our forebears—the Meiji-era modernizers of Japan and the Filipino revolutionaries who proclaimed colonial Asia's first free republic in 1898—created our respective nations with an enlightened vision for the 20th century. Today, it is both your duty and mine to chart the restructuring of our national societies—to suit them to the imperatives of the 21st century.

In the Philippines today, we are engaged in a steady process of political, economic, social and cultural reform, whose depth and scope can be equated with the epochal transformations of the Meiji Restoration.

In this country, the reforms being made to reinvigorate the economy and increase the accountability of public officials should result in a Japan that is more vibrant, more confident, more outward-looking and more open.

Over the long span of Asian history, Japan has been—for most East Asians—the nearest foreign country. China and India have been strong and familiar influences for centuries. But, in my opinion, Japan's cultural imprint on the region has so far been marginal.

Japan now, more than ever before, has the historic chance to help shape the future of our Asia-Pacific region.

It would be misleading to believe that East Asia has rid itself completely of the historical animosities and bitter memories of the Pacific War. But I myself think that what is needed is not so much a formal apology from Japan as an open and frank examination of our shared history, and to carry on from there toward the building of a truly East Asian community.

And I see good portents in the increasing interaction between East Asia and individual young Japanese—students like you touring the region on vacation; or young executives on Asian assignments—who collectively make up the appealing new face of Japan.

I also regard as a positive sign the increasing openness of Japanese internal politics and of Japanese ways of trying to deal with problems at home. It gives us glimpses of a more caring—and by that token a more open—Japan. With this new, less aloof Japan we can identify more easily.

### **Building bridges of interdependence**

In the new century dawning on us, the Asia-Pacific region's continuing capacity to prosper will depend on its ability to sustain economic cooperation, mutual trust and—most important—regional peace.

The 21st century will require steadfastness and determination from the next generation who will lead us.

And, obviously in this country, a fair proportion of those emerging Asia-Pacific leaders will come from Waseda University.

The period ahead must be one of transpacific interdependence—or every nation in the region may fall short of what it can become, or what we, on both sides of the Pacific can all become.

You of the younger generation must begin building bridges of interdependence with all those peoples who share this great ocean with us.

Only by linking the two shores of the Pacific into a realm of peace, freedom and progress can we create for ourselves and for those who will come after us an enduring true Asia-Pacific community.

*Source:* **Presidential Museum and Library**

Ramos, F. V. (1998). *The continuity of freedom : a democratic and reformist society is our unique competitive advantage*. [Manila] : Friends of Steady Eddie.

**NATIONAL GOVERNMENT PORTAL – EDITED AT THE OFFICE OF THE PRESIDENT OF THE PHILIPPINES UNDER COMMONWEALTH ACT NO. 638**

**Speech of President Ramos at a meeting with the Discovery Institute, Asia-Pacific Economic Cooperation (APEC) Study Center, Trade Development Alliance, Washington Council for International Trade, and World Affairs Council**

**Speech  
of  
His Excellency Fidel V. Ramos  
President of the Philippines  
At a meeting with the Discovery Institute, APEC Study Center, Trade Development Alliance, Washington Council for International Trade, and World Affairs Council**

[Delivered at the Bell Harbor Conference Center, Seattle, Washington, U.S.A., November 21, 1997]

**A  
of information**

**universe**

IN NOVEMBER 1993 I came to Seattle to take part in the historic first meeting of the APEC Economic Leaders on Blake Island. Today I have returned—to meet with Seattle’s business leaders, who are icons of the global information society.

I am delighted and honored to be asked to this conference organized by the Discovery Institute—a grouping which reflects Seattle’s pioneering spirit as a hub of the information age—together with the other sponsors: the APEC Study Center, the Trade Development Alliance, the Washington Council for International Trade, and the World Affairs Council.

If Seattle is indeed the wettest city in the continental U.S.A., it has also been abundantly showered with talent and creativity. Its people thrive on the cutting edge of the new technologies that define the spirit of our age.

It is good to be here at this time—in this dynamic American city that looks to the great ocean our two countries share.

Over this past quarter-century, economic reform and liberalization have let loose market forces, which in turn have liberated productive energies almost everywhere in the world.

Trade direct investment, and now capital flows, have expanded at compound rates. Spurred by the new communications and information technologies, they are moving more and more countries into a borderless global economy.

Nowhere have the benefits of the free market been more apparent, more profound, more sweeping than on the western rim of the Pacific.

Except for Japan, East Asia was an economic backwater 30 years ago. Today—through the hard work of its peoples and the democratic directions of its governments—the region sets the pace of growth and the standards of economic openness for all the world.

**ASEAN as one big emerging market**

One subregion of East Asia alone—the Southeast Asian states (including the Philippines) grouped in ASEAN—has become the world's fourth-largest trading unit—after the European Union, the United States and Japan. ASEAN is unifying itself into one big emerging market of 450 million people—most of whom are steadily reaching middle-class status.

The U.S.-ASEAN Business Council estimates that American exports to ASEAN will overtake exports to Japan over the next 20 years.

And East Asia is emerging as an economic region in its own right. East Asian countries now trade more with one another than they do with the North American region.

East Asian countries have also become increasingly important sources of direct investment. In some Southeast Asian states, the major foreign investors come from ASEAN and other East Asian countries. East Asia's share of total global output could well match those of the United States and the European Union in less than 20 years.

### **A powerhouse of the developing world**

That projection might surprise you—considering the currency turbulence we in East Asia have recently experienced. Let me try and put it in context.

In all the developing world, East Asia is the most closely integrated into the global economy.

One aspect of this integration has been a large flow of capital into East Asia—from transnationals in the industrial countries taking advantage of its skilled workpeople and low labor costs. This surge of migratory capital has gushed like young wine into brittle old bottles.

East Asia's financial sectors—even those of Japan—are still trying to cope with this new volatility of capital. And this currency turbulence is part of East Asia's growing pains. It will pass—as the region's macroeconomic fundamentals reassert themselves—and our capital markets begin to mature.

And the turbulence has had one beneficial side effect: it has strengthened East Asia's new spirit of regionalism. It is heartwarming to see countries offering to help each other cope with the crisis. Even China chipped in a billion dollars to help bail out Thailand's baht—together with Japan, Singapore, Malaysia and Indonesia.

As a “self-help,” quick-response program, we are also exploring—within APEC and with the International Monetary Fund—possible modes of a regional monetary facility to provide supplemental resources to national economies that may find themselves temporarily distressed.

In sum, the East Asian states are sharing the pain—for collective gains over the longer term.

Of course, the next year or two will be difficult for some of our economies. But it is East Asians who invented the idea that even crisis has its uses. And, as the traditional Chinese saying says, “deep worry inspires wisdom.”

### **Heeding the wake-up call from the world market**

We of the Philippines expect the whole of East Asia to resume its growth mode once the turmoil subsides. In response to the wake-up call from the world market, financial reforms are being deepened all over the region. Currencies are being pitched at more competitive rates; financial discipline is being tightened.

East Asia has overcome far more serious challenges: this should be just a rough patch on our road to self-sustaining growth.



The fact is that globalization so far has benefited East Asia more than any other region. Its open economies, stable politics and orderly societies have attracted more trade and investment. And the currency turmoil has not blunted East Asia's competitive edge—which lies in its high savings rate and its social commitment to *shared* growth.

East Asia's working-age populations are young and growing. And governments continue to invest heavily in people—placing the highest priority on good basic education in science and technology. Over these next 20-30 years, East Asia's drive for development can become the motive power for the entire global economy.

### **A great hunger for investment**

Earlier this month, the Asian Development Bank projected that even if GDP growth in the whole of developing Asia averages *only* 6 percent until the year 2020—6 percent being below its recent historical average—its total demand for investment over this period would be \$50 trillion at 1996 prices.

Of this sum, \$10 trillion would be for physical infrastructure alone.

Asia has been urbanizing at the world's fastest rate. New housing, new highways, new bridges, mass transit systems and better waste-management facilities are needed to make Asian cities more livable.

More investment money too must be found to generate electric power, pipe in safe water, build industrial estates, lay down transportation and communications systems—to ensure that Asian growth is not held back by the lack of infrastructure.

Protecting the environment will also need large investments as well as technical know-how. Thirteen of the 15 most polluted cities are Asian. And, over the last 50 years, Asia has stripped itself of half its forest cover. Almost everywhere, Asia's environment is at risk—in the continent's pell-mell rush to growth.

Asia must urgently bring on line environment-friendly processes that will be less wasteful of resources that remain—of clean air, clear water and fertile soil.

There are tremendous opportunities for America's capital—your technology, your management expertise—in what Asia lacks and needs.

### **Why APEC is so important**

For the moment, Asia's most urgent need is to keep up the pace of trade and investment liberalization—and to enhance economic and technical cooperation so that the gains from globalization can remain broadly shared.

And this is where APEC comes in.

Not only is APEC a spur to free and fair trade and to open regionalism. It is also the first step toward an Asia-Pacific community—where our differences can be subsumed under the umbrella of our common interest in perpetuating regional growth and stability.

In APEC—as you know—we have agreed to dismantle regional tariff barriers by the year 2010 for its developed economies and by the year 2020 for the developing ones.

APEC members also played a key role in securing the first information technology agreement (I.T.A.) at the World Trade Organization—and are leading the studies to organize an “I.T.A-TWO.”

In their summit in the Philippines in November 1996, APEC leaders set down individual action plans to facilitate the liberalization of Asia-Pacific trade and investment.

They also concentrated on areas of prime concern to the developing APEC members—areas such as human resource development, small and medium enterprises, and economic and technical cooperation.

Running through the entire fabric of economic globalization is the pervasive impact of the new communications and computer technologies.

These technologies not only allow the instant deployment of capital. They also facilitate the dispersal of the components of production—to where they can be made cheapest and smartest.

In adapting to these new tools, corporations are moving away from hierarchical command-and-control pyramids toward tightened management structures that delegate decision-making and empower management and work teams.

### **Promise of a wireless Internet**

The breaking-up of corporate monoliths to encourage innovation and creativity will be ever more important as competition intensifies. Workers and managers themselves may have to remake their careers several times; or they may have several careers in more than one place and at the same time.

Information technology itself is rapidly evolving. No one can yet predict the final design of the information infrastructure on which the global information society stands.

Until recently for example, telephone, broadcasting, cable, wireless communication, computer services, publishing and entertainment, were considered separate—only vaguely related—businesses. Today, technology is merging these industries into one huge market.

The Internet by itself has opened a universe of information. And already there is the promise of a wireless Internet—the Internet of the sky—which could free communication and information from their bonds to land-based lines.

Not just cheaper computers and communications systems are needed—to bring information technology within the reach of ordinary people in the developing countries. Our nations also need modem education systems if they are to join the global information society.

While the standardized, mass schooling of today is the educational analogue of mass manufacturing, it must constantly be reengineered and made responsive to market forces and technological changes.

### **Education in the information society**

School systems of the information age must prepare students for a far-different world. A world where information is at everyone's fingertips, where organization is highly decentralized and where individuals are more autonomous than they have ever been. Education will have the even more basic task of forming in the minds of preschool children the ethics of the global information society.

In an era when information can be everywhere—almost simultaneously—how will its provenance, ownership and legal nature be determined?

How will ideas like privacy, equity of access, suitability of content, the balance between the local and the global be adjudicated?

Will the information age homogenize world culture—as many fear—or will it, by multiplying choice, preserve cultural uniqueness, as others hope?

Education must also provide the means for expanding international cooperation to prepare all national societies for the information age.

We could even envision a cyberspace education corps—made up of tens of thousands of volunteers—donating time and talent to teach developing nations through the Net—without ever having to leave their homes and offices. And this need not arise from pure altruism. Business will reap handsome rewards from the steady worldwide increase in the number and quality of information technology workers and consumers.

### **Empowerment of the individual**

The information age promises to be one of greater individual freedom. What is already clear is that the global information society cannot exist *without* empowering the individual.

Already the new technologies have had revolutionary consequences. In Eastern Europe, as we know, they have set off dramatic political change. Even the implosion of the former Soviet Union we may reasonably attribute to the incompatibility of its political structure with the needs of a high-technology economy.

Generally speaking, the new information technologies favor *open* societies over *closed* ones. They function best within those countries that allow the free movement of people, information and ideas. And their effects will tend to undermine authoritarian regimes and encourage the decentralization of political power within societies over time.

In the Philippines, we have created one of Asia's most open societies—where freedom is vibrant and economic opportunity is widening.

Although we are only now beginning to catch up with East Asia's "tiger economies," Filipinos are already predisposed to the ethic of the information age.

By 2001 we should have 607,000 Internet users. Already our country is the second-largest exporter of computer services after India, among developing countries. And the quality of our I.T. professionals is recognized worldwide.

One unique feature that distinguishes us is our affinity with Americans because of our historical association this last century. From American models we have adapted our laws, business regulations, educational standards and corporate culture.

Tens of thousands of Filipinos have done postgraduate studies in American universities. Two million Filipinos and Filipino Americans live in this country—more than half of them on the West Coast, of whom some 60,000 live in Washington State.

All of these elements—plus our pioneering tradition—are fertile ground for partnerships and alliances in I.T. between Philippine and American businesses that want to be part of the action in East Asia.

### **Linchpin of regional security**

The Asia-Pacific region has lately witnessed unprecedented improvements in the human condition.

With its young populations, its expanding markets and its surging export competitiveness, the Asia-Pacific has the world's largest reservoir of new growth to fuel global development. The United States—as the Asia-Pacific's biggest economy—is the linchpin of regional security, and its beacon of political liberty.

While the balance of military and economic power may shift, and foreign-policy priorities may diverge, we of the Philippines will continue to regard the United States as a friend, ally and partner—in the task of building the Asia-Pacific of the 21st century. And it is equally vital for the United States itself to remain continuously engaged in the Asia-Pacific.

### **Tokens of blood and treasure**

The Asia-Pacific is where your most promising markets lie—where the most avid consumers of your technology live—and where your capital can find its best returns.

It is also there where America sacrificed its young men in three bloody wars, and in each of these, the Philippines fought alongside as your staunch ally.

By these tokens of blood and treasure, we Filipinos and you Americans are stakeholders in the same future. And that future will be decisively shaped by trade, technology and education—the three themes of this conference.

Finally—ladies and gentlemen: we live in a world of vast change—great challenge—and tremendous opportunity. But we do not live and work for ourselves alone. It is also for our successors that we strive. The generation now in grade school is the first to be brought up in the global information society. These young ones are the first in human history to receive the intellectual training and the scientific tools with which to grasp the concept of the world as one human community.

It is they who will discover new ways, new frontiers, new relationships, new meanings; and it is for them—these pioneers of humankind's voyage to a brighter universal future—that we strive.

*Source:* **Presidential Museum and Library**

Ramos, F. V. (1998). *The continuity of freedom : a democratic and reformist society is our unique competitive advantage*. [Manila] : Friends of Steady Eddie.

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**Speech of President Ramos at the Rafael Salas Memorial Lecture, Economic and Social Council Chamber**

**Speech  
of  
His Excellency Fidel V. Ramos  
President of the Philippines  
At the Rafael Salas Memorial Lecture, Economic and Social Council Chamber**

[Delivered at the General Assembly Building, United Nations Headquarters, New York, November 26, 1997]

**Globalization and  
population policy**

IT IS MOVING to speak in memory of Rafael Salas, whom I knew as a classmate in high school, then as a friend and later on as a colleague in the Philippine Government. To say he was an exceptional human being, a dedicated public servant and a visionary international statesman may not do justice to this compleat citizen of the world.

Dr. Salas has left the indelible stamp of his philosophy and personality on the United Nations Population Fund, an organization to which he devoted the best and most productive years of his life.

Let me also salute the incumbent Executive Director, Dr. Nafis Sadik, who now bears the legacy of Dr. Salas and who, supported by the dedication and expertise of her coworker, has made the UNFPA exert a great and positive difference in world population affairs.

It is only fitting that I also acknowledge the support that the United Nations Secretary-General, His Excellency Kofi Annan, has given to the UNFPA activities and to its work. The Secretary-General, I am confident, will continue to accord our sustainable development approach to population policy and its infinite ramifications the priority and urgency they deserve.

Since the seventies, more and more countries have accepted market-oriented reforms that have opened up their economies, unleashed their productive capacities and integrated them into world markets.

The massive economic energy liberated by globalization has brought real human benefit.

**The benefits for global welfare**

The United Nations Development Program's 1997 Human Development Report sounds an encouraging note in that, during the past half-century, worldwide poverty has declined more than that of the previous 500 years and has been reduced in almost all countries.

The UNDP report notes that since 1960—a little more than a generation ago—developing countries have halved their infant mortality rates, cut malnutrition rates by almost a third, and reduced the proportion of children out of primary school from some 50 percent to less than 25 percent. China and 14 other states with populations that add up to 1.6 billion have halved the proportion of their people living below national poverty lines in barely two decades.

By the end of the 20th century, 3 billion to 4 billion people will have experienced substantial improvements in their standards of living, and about 4 billion to 5 billion will have easier access to basic education and health care.

The 1997 UNDP report estimates that the effects of the Uruguay Round alone will more than double global income from \$212 billion to \$510 billion between 1995 and the year 2001.

These figures show some of the bright areas and the overall improvements that have marked the upliftment of human welfare for the past 25 years. While statistics and numbers may seem uninteresting, I mention them because they are critical to any intelligent approach to population policy.

First, because population policy, whether national or global, must be viewed realistically in the context of the sweeping world trends that shape the quality of modern human existence.

### **The big-picture reality**

Second, because, like it or not, economic globalization and advances in science and technology constitute the most important big-picture reality of the dimensions of our lives today.

Third, because it is in the pursuit of sustainable development, fueled by economic globalization, where lie the seeds of humankind's continued survival as a species on this earth.

And fourth, because we hope to raise the morale of the large community of population workers, which may sometimes flag when we see the magnitude of the tasks that lie ahead. Those tasks, despite 50 years of hard labor and hard-earned progress, continue to appear as Olympian challenges.

The UNDP 1997 Human Development Report paints a still grim picture of human deprivation.

- More than a quarter of the developing world lives in poverty.
- About one-third of the population in developing countries, 1.3 billion human beings, lives on incomes of less than \$1 a day.
- Some 160 million children are malnourished.
- Some 110 million children are out of school.
- Nearly a billion people are illiterate.
- Some 840 million people go hungry daily or face food insecurity.
- Some 500,000 women die yearly at childbirth in developing nations—at rates 10 to 100 times higher than those in developed countries.

### **The costs of globalization**

UNDP and the United Nations Conference on Trade and Development (UNCTAD) report the unevenness of the benefits of globalization:

- Two-thirds of all foreign direct investment has gone to only eight developing countries, and only 20 developing countries were considered credit-worthy in 1996.
- Developing countries lose \$60 billion a year from trade barriers in industrial nations.
- High unemployment continues in many countries.

Developing countries have also had to shoulder often unaffordable social costs required by structural adjustments necessitated by globalization.

These should be seen against other disturbing global economic trends and imbalances, as noted in the 1997 report of the UNCTAD:

- The global economy continues to grow slowly. Since the beginning of the nineties, world output growth has averaged 2 percent, compared with roughly 3 percent in the eighties.

- North-South income gaps continue to widen. In 1965 the average per capita income of the G7 countries was 20 times that of the world's poorest seven nations. Today it is 39 times as much.
- Only in East Asia have some countries been able to close the income gap with the North. In some East Asian economies, per capita income has surpassed that of the more affluent and mature economies.

### **Some 80 million more people yearly**

And, as a final note, the 1997 report on the world social situation indicates that although current world population growth rates have been the lowest since the Second World War, and will continue to decline, about 80 million people will be added every year to the world's population from now until the year 2025.

World population will grow from about 5.8 billion today to more than 6 billion by the year 1999—only two years from now.

This is the same general environment that the Philippines faced when my Administration came into office in mid-1992. At the very start, we decided that the Ramos Presidency would be guided by three major imperatives, all of which would condition our population policy.

First, that we had to empower ordinary people to give them back control of their lives and destinies. The Philippines had suffered two decades of dictatorial rule and oligarchic mismanagement, and we were determined to overcome this sorry legacy.

Second, that we would emphasize our democratic system and national development of a sustainable kind at one and the same time. Democratic government and political freedom were restored to the Philippines through the People Power Revolution of February 1986. For Filipinos, there is no other way but democratic development. This has been our consistent national purpose since our revolutionary forebears sparked, 100 years ago, the battle cry of independence and national sovereignty.

### **Government by consensus**

Third, that in the Ramos Administration, we would adopt the practice of government by consensus. From the beginning, we would govern by confidence-consultation and consensus building from the grassroots on up to the national leadership. Using these principles, we worked hard to get the basic programs right—to establish the conditions most conducive to steady growth, equitable development and rational population policy.

Our shared vision of “Philippines 2000,” operationalized by the Medium-Term Development Plan for 1993-98, provided the blueprint that has enabled us to engineer our recovery and restart our growth. Early on, we determined that national economic revitalization would build on an empowered people who would depend on market forces, be competitive in an integrated globalized market.

So, we opened our country to greater economic reform and completion. We have achieved so far the biggest surge in the country's exports in recent years at an average growth rate of 16 percent to 18 percent over the first four years, and an unprecedented 25 percent growth valued at \$25 billion for the first 10 months of 1997. We mounted the most sustained effort in the Philippine experience to modernize national infrastructure.

Simultaneously, we launched a comprehensive Social Reform Agenda, to attack the root problems of poverty and inequity head on. Our Agenda targets our country's poorest regions, the most marginalized groups and the most disadvantaged sectors. Poverty alleviation, social and health services, and livelihood programs have not only been organized but made to focus and converge on these priority areas. Special regard is given to our indigenous peoples, the urban poor, out-of-school youths and women.

Philippine Agenda 21 was our response to the nexus of poverty-environment-population development. Environment considerations were introduced into socioeconomic planning at all levels. The Philippines was the first country in the Asia-Pacific region to establish a National Council on Sustainable Development.

### **The birth of a tiger economy**

The combined result of these major strategic thrusts toward national well-being has been gratifying.

The UNDP recently ranked the Philippines 19th out of 78 developing nations in terms of its human poverty index, and placed poverty in the Philippines at around 17 percent. This ranking suggests that, considering our 1992 baseline income, we have done relatively well in poverty reduction.

The Philippine population policy is anchored on the conviction that an enlightened population program is essential to the achievement of our national development goals in a highly competitive globalized economy.

### **Placing people at the center of development**

Population policy is at the core of our national vision far into the 21st century, in consonance with our people's aspirations to a better life under a democratic system. This we hope to achieve by placing people at the center of development.

Population management will ever be an important factor in sustaining the economic gains and the social reform I have already cited.

For these reasons, I revitalized the Philippine Commission on Population, which was created in 1971, but whose roles had gradually diminished for lack of a clear national consensus on policy, and because of a long period of strongman rule.

The Philippines' population now stands at about 70 million. The United Nations projects that the Philippines will move from being the 17th most populous country in the world in 1985 to the 13th most populous by 2000.

Like all developing nations, the Philippines faces increasing demographic pressure on its resources, living space, arable land, clean air and fresh water. All components of our terrestrial and marine environment have felt the weight of a growing population. Urban pressures are also growing. The U.N. Center for Human Settlements' 1996 global report listed our capital city, Manila, and its environs as the 20th largest city in the world in 1990. This ranking may rise in the next century.

Although, we may have done well nationally in easing employment pressures, unemployment and underemployment in the rural areas remain a serious national concern. Because of these realities, the need for a rational program for population management to balance population and resources remains to be a local and national imperative.

In carrying out population policy in the Philippines, however, we have scrupulously respected and protected basic human rights. We believe population policy must begin with the individual. To borrow a popular metaphor: the individual is our ground zero for all population management and family planning.

### **The right to choose**

But individuals do not exist by themselves—they are knit closely together by family ways, community traditions, peer pressures, social norms, religious beliefs imperatives, and legal and civic responsibilities. In short, human beings live and act on the basis of values.

It is impractical to assume that the individual can be extricated from this complex web of connections and be forced to suddenly accept a technocratic presentation of the rationale and processes of population management.



My Administration, therefore, has restored the national consensus for population policy through patient work at the ground level, using broad-based consultation, while respecting, at every step, the values of our people and political sensitivity.

A critical component of our development philosophy and of our population policy has been—and has to be—the right of individuals to choose the kind of family life they believe is best for them.

This emanates from the guarantee enshrined in our Constitution of freedom of conscience, and the role of the family as the basic unit of Philippine society.

Our Constitution provides that the State is to defend the right of spouses to found a family in accordance with their convictions and the demands of responsible parenthood. It protects equally the life of the mother and that of the unborn child from the moment of conception; this is why abortion is a crime in my country.

As a consequence, our population policy is both pro-life and pro-choice; noncoercive but value-laden; family-centered yet socially responsible.

### **The family's freedom of conscience**

Our population policy seeks to guide the family in exercising its freedom of conscience, by providing the full range of public information and health services, not just for all nonabortive forms of family planning, including artificial contraception, but also for what is needed to care for healthy, self-sufficient and happy families.

Our population policy also mandates the education of the individual, both male and female, about sexuality and reproduction, and lifts the knowledge of these perfectly normal and wonderfully sublime human traits and functions from ignorance, prejudice and fanaticism.

To consolidate the legal framework for our population policy, my Administration has proposed a new Philippine population bill, which is now being discussed in Congress. The bill seeks to establish the proper national setting for a holistic environment, to integrate the population dimension into all key aspects of national planning, and to deepen the sense of personal and national responsibility in family planning and responsible parenthood.

### **Goals and gains**

We have set out population goals that we feel are attainable with the enabling environment that I have described. Under our population management program, which we initiated in 1992, we aim to achieve the following goals by the end of 1998:

- Reduce our population growth rate to 2.2 percent. Our present growth rate is 2.32 percent.
- Attain a total fertility rate of 3.5 children per woman. Our current total fertility rate is 3.8.
- Reduce our crude birthrate to 27.6 per 1,000 population. Our current crude birthrate is at 29.7.
- Reduce our crude deathrate to 6.2 deaths per 1,000 population. Our current crude deathrate is 6.6.

Already, we have made advances in our population program and are confident of further progress:

- Our average family size has fallen from about six children in the 1970s to an average of 3.8 in the 1990s.
- Our life expectancy has increased from 68.7 years in 1995 to 69.7 years in 1998.
- The number of users of family-planning methods has been rising—and reached 3.1 million in 1994.

We shall continue to strengthen the institutionalization of HIV-AIDS prevention, care and control.

We shall also pursue programs in the strategic areas of reproductive health, gender equality and women empowerment, adolescent health and youth development, and migration and urbanization.

### **International cooperative action**

Ladies and gentlemen:

I have endeavored to illustrate how we of the Philippines have responded to the impact of global trends on our own population. While action must be national, and local, rational population planning for the global community as a whole also demands our attention.

This is a call for collective, concerted and conscientious action by us all. Common problems require burden sharing. For, like individuals, countries exist not in isolation, but in the international family of nations to which they owe certain obligations.

It is tragic that although global trade, investment and capital flows of all kinds have had historically unprecedented growth, global levels of official development assistance, or ODA, have fallen. While the Philippines appreciates the efforts of those developed nations, among them the United States, Japan, the Netherlands, the United Kingdom, Australia and Spain, which have assisted our national population policy, we join all developing nations in calling for a reversal of the declining ODA trend worldwide.

We urge our friends in the developed world to meet the United Nations target of committing 0.7 percent of their GNP either to ODA or to the United Nations.

As it is, ODA as a percentage of the GNP of developed countries fell on average from 0.34 percent in 1992 to 0.27 percent in 1995. For global cooperation on population policy, our guide must be the program of action of the 1994 Cairo International Conference on Population and Development (ICPD).

In light of the well-known needs of the global community, the results of the preliminary review of the objectives of the ICPD program of action submitted by the secretariat are disappointing and regrettable. We have not yet reached the midpoint of our agreed benchmark and already we are faltering.

### **Holistic approach to population issues**

The program of action estimated that annual costs of a basic package of population and reproductive health programs and related policy development, research and data collection would be \$17 billion up to the year 2000.

Considering the great human good that it will do, this is a low-cost budget. As noted in the UNFPA state of world population 1997, it is less than one week of world expenditure on armaments. Surely, if we pull together, in a world economy \$25 trillion in size, we can pay this bill.

Beyond this, a holistic approach to population issues cannot be separated in reality from questions of the environment and of sustainable development—whether nationally or globally.

We must therefore mobilize the resources needed to meet the targets set by the 1992 Rio de Janeiro United Nations Conference on the Environment and Development, and the 20:20 formula endorsed by the 1995 Copenhagen World Summit on Social Development.

As we do so, let us not forget to enlist the energies, talent and commitment of international civil society. A global civic action should be mobilized from among non-State actors, including the media, the academic community, business, non-Government organizations and local communities.

### **Correcting global imbalances**

And, even further beyond, we must respond to those elemental global trends that shape population issues and problems. Globalization has to be molded so that it will be more equitable. Developing nations should be supported in carrying out policies that promote humane structural adjustment and the welfare of the poor.

Developed nations should not deprive developing countries of the benefits of globalization. The developed world should reduce trade barriers to the exports of developing nations and not impose new protectionist barriers in the form of subsidies or in the thinly veiled disguise of labor, social and human rights conditionalities.

There should be greater cooperation to upgrade human-resource development. We must heed one of the lessons of East Asia's rapid economic progress—the critical importance of investment in education and human resource development for national development.

Modern technology—especially information technology—holds out the prospect of a better life for all our peoples, but only to the extent that they are educated and trained to make use of it.

In the Philippines, we have done our homework on population management, and we are trying to deal with it at the global level as well. Nationally and through the United Nations, we have staunchly advocate the empowerment of women—because they play an irreplaceable role in development, dealt within Chapter 10 of the ICPD program of action.

We urge all countries to accede to the international Convention on the Rights of All Migrant Workers and Members of Their Families, and we reiterate the willingness of the Philippines to host an international conference on migration and development.

The Philippines has led in promoting regional economic and technical cooperation, which covers employment and human-resource development, in the APEC context. Through ecotech cooperation, we hope to improve the capacity of developing APEC members to optimize their participation in the expanding Asia-Pacific regional economy.

Last year, during the Philippines' chairmanship of APEC, we helped to introduce population as a priority for the first time in APEC.

### **The way to real progress**

The United Nations has had its successes and its failures. In the population field, however, the guiding light of the United Nations, reflected in the United Nations Population Fund, has shown us the way to real progress through global action. Rafael M. Salas, in his lifetime, pioneered in this vital area of responsibility of the United Nations. We are proud that a distinguished Filipino paved the way for the international community.

In these times—when there is so much cynicism about the world body—this achievement should not go to waste. We should project the good work that has been done to revive faith in the original promise of the United Nations. It remains—today—the single greatest experiment undertaken in the cause of international understanding, cooperation and peace, and of human welfare.

*Source:* **Presidential Museum and Library**

Ramos, F. V. (1998). *The continuity of freedom : a democratic and reformist society is our unique competitive advantage*. [Manila] : Friends of Steady Eddie.

**Speech of President Ramos at the 1997 National Artists Awarding Ceremony Speech  
of**

**His Excellency Fidel V. Ramos  
President of the Philippines  
At the 1997 National Artists Awarding Ceremony**

[Delivered at the Ceremonial Hall, Malacañang, December 8, 1997]

**The  
alternative**

**humanist**

LET ME WELCOME you all to this most noble of ceremonies. It has been some times since the National Artist Awards were last conferred. Today—with an unprecedentedly large number of distinguished persons to be honored—we not only fill an unnatural void but also remind and reassure our people of the continuity, diversity and quality of Filipino artistic genius.

No compulsion exists for this award to be given regularly and to a specific number, and the scale on which it is being given today in no way diminishes the individual value of the towering achievements of each of its recipients. Indeed, the National Artist Award has never been taken lightly, because it has never been given lightly. Its prestige has been commensurate to the reputation of the very few so chosen to bear the title.

In a sense to be a National Artist is to be more than a President of our republic, because no temporal or geographic boundaries apply to the artist's power and influence. The material emoluments that go with this title may not be much—although we have enhanced them—but the honor itself is beyond material reckoning, having been earned over many decades of painstaking effort and brilliant and sustained delivery.

Of course, it will be argued by many—including many artists themselves—that, with very few exceptions, artists have had very little say in the running of a nation's practical affairs. And again, with rare exceptions, even the best artists have remained relatively unknown to the masses of our people, compared to, say, our politicians and popular entertainers.

**The contemplation of beauty**

I am not about to suggest that inconsequence and obscurity are the artist's natural lot, but rather that artistry's rewards and effects lie elsewhere—in the contemplation and propagation of truth and beauty, and the upliftment of the human spirit. Nevertheless, art never strays too far from practical reality as to completely deny it. The artist's pleasure is among the rarest and purest of all pleasures, but it occurs precisely in that exciting space between the real and the ideal.

Jose Rizal recalled how, as a young man, he had enjoyed the company of the muses: "Although I was studying philosophy, physics, chemistry and natural history. . . in my leisure hours I continued speaking and cultivating the beautiful language of Olympus. . . . What matters, I said to myself, the poverty that is the eternal companion of muses? Is there anything sweeter than poetry?"

In Rizal we find the finest example of what a national artist of his time might have been—a gifted man so thoroughly enamored of his art and yet also fiercely in love with his country and people. Although a poor expatriate student in foreign lands—reduced to just two meals a day for prolonged periods, and to one set of winter clothing, he forsook none of the pleasures of his artistic talents, of which he had quite a few. Still, he engaged himself in the vigorous business and challenges of daily life with equal fervor. In 1892 he would write, "What matters death if one dies for what one loves, for native land and adored beings?"

It is not for me to tell our artists how to produce their art and lead their lives; it is not for us to demand that they mirror our own thoughts, aspirations and anxieties—the best of them will do this without needing to be told, indeed before most others do, because the true artist’s eye sees everything significant that happens.

Rather, it is for us to do our best to ensure that their gifts of beauty and wisdom do not go to waste. It is for us to watch, to listen, to read and to marvel at their imaginations and visions that are lifted out of the ordinary, and are transformed into enduring wonders and penetrating questions.

### **For light and liberty**

The great achievement of these nine outstanding Filipinos has been to give the nation its truest image of itself—and to give the world the richest fruit of the Filipino imagination and creativity. In words, images and musical notes, they tell us who and what we are—and what we might yet become.

Their art may not be all sweetness and light, but neither has been our history of struggle for freedom, prosperity and justice. Rizal himself described Juan Luna’s art as carrying “the shadows, the contrasts ... the reverberations of the dark tempests of the tropics,” even as he rejoiced in Luna’s artistic triumphs on behalf of a people thirsting “for light and liberty.”

And so we give these highest awards not only in grateful recognition of their accomplishments, but also as a reminder to our people of the value of the imagination and the creative spirit.

### **Our new National Artists**

Our new National Artists are the writers NVM Gonzalez, Rolando S. Tinio and Wilfrido Maria Guerrero; the musicians Felipe de Leon, Jose Monserrat Maceda and Levi Celerio; the filmmaker Lino Ortiz Brocka; the painter Arturo Rogerio Luz; and the historian Carlos L. Quirino. They deserve our highest praise and respect, and the title of National Artists we bestow on them is but a token of the esteem in which their fellow citizens hold their contributions to our culture and to our national life.

Four of the awards are being given posthumously; rather than being a belated gesture, this recognizes the continuing relevance and influence of these artists’ work. Let me just express my personal hope that, in future awards, the efforts of more of our women artists—including the departed but especially the living—will be as suitably recognized.

The nature of daily life in the late 20th century has been such that many of us have been preoccupied with purely material pursuits, with a dollars-and-cents approach to the valuation of people and things. Our artists remind us of the humanist alternative—that is, to appreciate ourselves as a complex of physical, intellectual and spiritual elements, each one of which needs tending as much as the stomach.

Indeed our artists give us a glimpse of our better selves. When we read their stories, poems and essays, when we watch their films and plays, when we listen to their music, when we look at their paintings and sculptures, we find harmony and wholeness, and new reason to have faith in the ability of humankind to make order out of chaos.

### **A challenge to art**

In developing a country on the threshold of modernization, like the Philippines, these achievements are invaluable because culture is our assurance of unity and survival as a people amid a technology-driven globalization process that tends to blur political and cultural boundaries among nations. Although globalization has opened the wonders of the world to all nations, it has also tended to diminish the uniqueness and the strength of native cultures, and thereby the common values and beliefs that bind a people together.

While it is incumbent upon the Government to provide for the people’s basic needs and—while the Ramos Administration continues to pursue resolutely its program of economic liberalization, social justice and political

reform for our greater global competitiveness—we, too, are aware of the need to preserve and strengthen the ethical, moral and spiritual components that define and unite all Filipinos. And this imperative becomes even more crucial as we prepare for the celebration of the centennial of our independence in 1998.

This is a challenge not just to politics but to art—and it is a challenge that, I am certain, our National Artists, present and future, will face with exemplary passion and imagination.

On behalf of our Government and the Filipino people, let me express our highest commendations and warmest congratulations to our new National Artists. May we all continue to be enlightened and may our lives be enriched by your extraordinary vision and creative talent.

*Source:* **Presidential Museum and Library**

Ramos, F. V. (1998). *The continuity of freedom : a democratic and reformist society is our unique competitive advantage*. [Manila] : Friends of Steady Eddie.

## **Speech of President Ramos at the Manila Forum in preparation for the Asia-Europe Meeting in 1998**

**Speech  
of  
His Excellency Fidel V. Ramos  
President of the Philippines  
At the Manila Forum in preparation for the Asia-Europe Meeting in 1998**

[Delivered at the Shangri-La EDSA Plaza Hotel, Manila, December 10, 1997]

**A new Asian-European partnership**

I AM DELIGHTED to welcome to Manila all our guests from Asia and Europe—and to open this conference that brings our two continents together. You could not have chosen a more fitting site for this forum.

In 1521 mankind completed its map of the world when Ferdinand Magellan—sailing westward from Spain—touched land in our archipelago. His historic crossing of the Pacific from the Americas—when joined together with the earlier discovery of the Indies by other Europeans—finally defined the modern contours of the globe.

Seven months from now, we Filipinos will celebrate the centennial of our proclamation of Independence. In 1898 we broke free from the bonds that had tied our lives to Spain and Europe for more than four centuries. Today, we come full circle—in having the honor of bringing together representatives of the new Europe and the new Asia—a community of nations, now equally sovereign but closely interdependent—to discuss our common future.

This meeting continues the process of forging a new relationship between Asia and Europe which we inaugurated last year in Bangkok—when Asian and European leaders convened for the first Asia-Europe Meeting, or ASEM. In April next year, our leaders will be coming together in London for the second Asia-Europe Meeting.

None of us needs any instruction here on the far-reaching significance of this collective undertaking.

### **Beginning our journey together**

If there is one theme that defines our labors, it is the search for partnership between Europe and Asia—a partnership between two economic and cultural powerhouses—one being the world's largest single and wealthiest market; the other being the fastest-growing.

While we are all convinced this mighty enterprise will decisively shape developments in the 21st century, we also know we are just at the beginning of our journey together. We are still laying down the foundations for our partnership—defining a common vision; setting a common agenda; and building the mutual confidence and understanding that comes from working together.

It is especially at this stage that our heads of state and government seek the wisdom and support of civil society—especially those who play key roles in our intellectual and economic life.

I therefore welcome the convening of this Manila Forum as a manifestation of this support and an exercise that will be of immense value to our political leaders in preparing for next year's ASEM summit.

Trade relations between Asia and Europe go far back to the time of the earliest civilizations. As Europe's power rose from the Middle Ages, Europeans came to Asia not only as conquerors and colonizers, but also as traders, missionaries and educators. It was European thought and example that inspired Asia's greatest minds and leaders of the late 19th and early 20th centuries to fight for their countries' independence, and to create the nation-states that make up the Asia of today.

We have also drawn lessons from the tragedies this century has brought on our two continents. The two great wars of this century devastated many countries in Europe and Asia. And both our continents became battlegrounds of the Cold War—and continue to bear the scars the violence of that time has brought upon us.

### **Building a new relationship**

Today, both our continents have embarked on regional economic integration, peaceful resolution of conflicts and cooperation. The new Europe is well on its way toward full economic union. The new Asia—despite its recent setbacks—promises to become the most exciting market of the early 21st century.

Despite these salutary changes, however, the relationship between Asia and Europe has diminished rather than expanded. Over the past half-century, Europe has concentrated its attention on its own hemisphere—while most Asian countries have become more closely integrated with each other and the Americas.

Although the volume of trade between Asia and Europe has indeed expanded during this time, it has not developed as fast as their trade with their other economic partners. Most Asians who studied overseas in the previous century looked primarily to Europe, but they no longer do so today.

Asia and Europe have drifted apart for various reasons, but mostly as a consequence of the failure to find a basis for building a new relationship over the ruins of the colonial past. This new relationship is what we are striving to build in our time—through ASEM, through this forum and through many other initiatives.

Beginning with the earliest efforts of ASEAN and the European Community some years ago, the dialogue between Asia and Europe has become animated—with the rediscovery of great opportunities that lie ahead. The growing roles of a resurgent Asia and a unified Europe on the world stage have refocused our eyes on each other and on the importance our relationship will have on the future of world peace and prosperity.

### **Transcending our differences**

To build this new relationship, we must understand not only the bonds that unite us—but the differences that divide us. Our societies stand on the foundations of different cultures and civilizations. For many Europeans—be they businessmen, politicians or tourists—Asia is still an alien world, whose ways and customs are unfamiliar. Most Asians feel the same way about Europe.

Thus it is not surprising that, in building our relationship, we should encounter misunderstanding.

Nevertheless, isolation—even partial—is no longer a tenable option in this era of global interdependence that we are entering. For our enterprises to remain competitive and for our economies to remain viable, Asia and Europe must deal with each other. Since our foreign policies are increasingly driven by public opinion, we cannot risk cultural chauvinism, prejudice and ignorance about each other's ways that could lead toward what one political scientist has called "a clash of civilizations."

### **Bridging the cultural gap**

Our societies must learn to appreciate each other's values, sensitivities—and the social, economic and historical context of basic issues such as civil liberties, human rights, self-determination and sovereignty.

A deeper understanding of each other's culture and values is especially important if we want to realize fully the immense potential for economic exchange and cooperation between us. We need to bridge the cultural gap that deters our enterprises from plunging boldly into each other's markets. Business alliances can survive and flourish only if they are based on mutual understanding and mutual respect. Technology exchange, which lies at the heart of long-term economic partnership, can only expand and succeed if we understand how to make technology work within specific cultural and social contexts.



This is especially important for small and medium enterprises—or SMEs—which make up the vast majority of enterprises in Asia and Europe. While large multinational corporations have ample resources to operate effectively across borders and cultures, SMEs do not. Yet, SMEs—which are now awakening to the new technologies and opportunities of global business—can link our economies at the grassroots. Thus we must find ways to unlock this potential, by building bridges to facilitate the flow of goods, services, capital, information and technology among ourselves.

### **Promoting openness of economies and societies**

It is also important for us to continue promoting the openness of our societies and economies. Open societies are best-equipped to survive and prosper in an era of rapid change and technological advances.

Our own experience with economic and social reforms in the Philippines over the past five years has proven us right, and I would like to share this with you.

We have turned our backs on protectionism, authoritarianism and overregulation—all of which have fostered inefficient monopolies, oligarchies and cartels that profited at the expense of small enterprises and consumers. Against the resistance of those who fear competition, we have liberalized and deregulated our economy—freeing our foreign-exchange market; lowering our tariff rates; introducing competition in our telecommunications, civil aviation, banking, insurance and shipping sectors; and promoting a larger private-sector role in infrastructure development.

I need not tell you what effects these reforms have had on our economy. You can see for yourselves the dynamism the Philippines has attained. From being the “sick man of Southeast Asia” in the 1980s, our country has become the region’s newest tiger cub.

The turmoil currently sweeping East Asia’s financial markets has affected us the least—and we continue to move toward our exit from the IMF program—which has been a controversial but necessary medicine our economy has had to take during the past many years.

Since Day One of the Ramos Administration, we have been convinced—and we remain convinced—that embracing the global economy is the right thing to do and that empowering our people for global competitiveness is the right path to the 21st century. We will therefore continue—and I am sure the next administration after June 30, 1998, will continue—to speed up the process of economic and social reform—our opening up to the world—within the context of the World Trade Organization, the Asia-Pacific Economic Cooperation (APEC) grouping and the ASEAN Free-Trade Area.

### **Development cooperation**

Meanwhile, we should not forget an important element that complements our efforts to open up our economies—and that is development cooperation. Our experience has shown the importance of this factor, especially in our relations with the European Union. We recognize the continued need for development cooperation—but in a way that is more attuned to the needs of the present.

We therefore hope to develop in ASEM a dynamic framework for development cooperation that will support and encourage efforts at further economic and social reform.

I consider ASEM a crucial forum for Asia and Europe to nourish—in order that we all may move more effectively toward the goals of ensuring the success of the multilateral trading system—of maintaining world peace—and of promoting the common values of our societies.

I am sure that after we have put in place the needed policies and corrective measures in response to the financial difficulties we are facing, we the Asian economies will reemerge stronger and more committed to these goals. ASEM, as a partnership of Asian “tigers,” and European “lions,” will certainly be a potent force on the world stage.

#### **A message from Manila**

These key activities—of nurturing mutual understanding, transcending differences, promoting openness and forging development cooperation—make up the bedrock of partnership between the new Europe and the new Asia.

I believe this “Manila Forum”—in a broader way than the “Manila Framework” (for financial reform in APEC)—will contribute to this far-ranging effort by spelling out the many practical and concrete ways whereby we can promote and foster this spirit of partnership.

All of you who are gathered here are the people who understand the most what unifies and what separates Asia and Europe. Thus you can play important roles in promoting our mutual understanding. You the experts, the movers and shakers, are the bridges between cultures—and on you will depend the eventual success of the initiatives we will take in ASEM and of the broader cooperation between our two continents.

So it is my hope—which I am certain is shared by other Asian and European leaders—that in the next two days of deliberations, you will come up with concrete ideas and recommendations on how we—the ASEM leaders—should go forward in building this new partnership between the new Asia and the new Europe.

It will be my privilege to take your message—the message from Manila—to next year’s ASEM Summit in London. I look forward to your collective input to our discussions, coming from the leading representatives of Asian and European academe and enterprise.

*Source:* **Presidential Museum and Library**

Ramos, F. V. (1998). *The continuity of freedom : a democratic and reformist society is our unique competitive advantage*. [Manila] : Friends of Steady Eddie.

**NATIONAL GOVERNMENT PORTAL – EDITED AT THE OFFICE OF THE PRESIDENT OF THE PHILIPPINES UNDER COMMONWEALTH ACT NO. 638**

**Speech of President Ramos on the enactment of the Comprehensive Tax Reform and Antipoverty Laws**

**Speech  
of  
His Excellency Fidel V. Ramos  
President of the Philippines  
On the enactment of the Comprehensive Tax Reform and Antipoverty Laws**

[Delivered at the Ceremonial Hall, Malacañang, December 11, 1997]

**A harvest of laws**

WE WITNESS TODAY the passage of two of the most significant bills ever crafted by the Tenth Congress. One is aimed at sustaining our social infrastructure, the other provides the means to meet the needs of our physical and social infrastructure.

These are Republic Act 8424 amending the National Internal Revenue Code and Republic Act 8425 institutionalizing the social reform and poverty alleviation program.

To those unfamiliar with the workings of government, these laws would seem unlikely partners. Indeed, to be really propoor should mean the reduction if not total elimination of taxes for low-income groups. But to be propoor also means that Government must provide the poorer sectors with more social services and greater economic leverage by judiciously raising and then investing funds on projects that have a propoor bias.

Briefly stated, therefore, the tax reform law, while it is kinder on lower-income groups than in the previous tax structure, will enable us to generate more funds that will finance the implementation of all other projects.

It has been the challenge of every administration to find the precarious balance between the taxes it should realistically collect as the citizen's dues for development and the amount it can spend to spur and then to sustain growth.

**Equity and growth in one package**

In this amended Tax Code, the last and most important component of what is popularly known as the Comprehensive Tax Reform Package, we hope we have found a better answer to this perennial question. After all, it is the product of intensive collaboration between the men and women of the executive branch and the legislative, with the crucial participation of academe and the private sector.

Four years ago, when we reviewed the Philippine tax system to complement our economic structural reforms, we saw it fit to increase our tax collection up to the progressive levels and efficiency of Asian economic tigers while being more socially equitable. We wanted to raise more funds, yet let the burden of taxation be borne by those who had greater capacity to pay and who consumed more.

Despite the comments of critics, we maintain that R.A. 8424 is propoor and proprogress. It is propoor because it will exempt the poor from paying income tax. It exempts overseas Filipino workers from paying income tax. It ensures that the burden of taxation is distributed in accordance with every taxpayer's ability to pay. And it raises personal exemption levels in the following manner: a single taxpayer, P20,000; single but head of family taxpayer, P25,000; married taxpayer, P32,000; and an increase in exemptions for dependents to P8,000 per qualified dependent not to

exceed four dependents per family. Thus, the total exemptions of P96,000 for a family of six would be most beneficial to lower-income families.

As much as it is propoor, R. A. 8424 is also proprogress. It enables Government to raise more revenues that will improve the overall quality of life, particularly of the poorest among us. From the revenues of this improved scheme will be built the physical infrastructures—roads, bridges, wharves, airports, irrigation and potable water systems, markets and electrification projects—that are basic to our people’s lives. These revenues will also finance our basic utilities and services such as education and the maintenance of peace and order.

### **Broadening the tax base**

As a means of improving tax collection, this law broadens the tax base by capturing undeclared revenues and hidden incomes, including fringe benefits. It institutes controls in business deductions that have been indiscriminately abused and that erode the corporate income tax. Its simplification of the tax system encourages greater compliance from taxpayers. It also introduces a minimum corporate tax, which is not a new imposition but an approximation of the correct income taxes due from corporations.

The implementation of the new tax scheme will be made more effective by enhancing the functions of the Bureau of Internal Revenue as provided for in this law.

These reforms include administrative improvements to encourage taxpayers to pay the proper taxes at the right time and entice nonfilers to join or rejoin the tax-paying mainstream; the creation of a new deputy commissioner’s position to handle the legal and enforcement group, thereby ensuring more efficient prosecution of tax fraud and tax evasion cases; the delegation of many powers and duties of the Internal Revenue commissioner; the authority granted to him to get information from third-party sources; and the authority to the Secretary of Finance to prescribe the venue for filing of returns.

### **‘File anywhere scheme’**

This last provision, which complements the full computerization of the Bureau of Internal Revenue, will enable it to carry out the “file anywhere scheme.”

We must not be distracted from the controversy generated by various proposals to make the law more biased for the poor. Instead, we must concentrate on the common intent of our lawmakers to ease the tax burden on poorer taxpayers. We should not overly concern ourselves with the lengthy time it took Congress to pass the law but instead emphasize that the intense debate and scrutiny, to which this law was subjected, should assure us of its fairness both to taxpayers and to Government’s aim of raising more funds to sustain our growth.

As a bonus, this landmark law serves as our exit ticket to the International Monetary Fund’s program, and therefore sends another strong signal to the international community that our economic and financial fundamentals not only remain sound but are being reinforced.

Equally significant to us is R.A. 8425, which creates institutions to pursue our social reform and poverty alleviation program. Both the executive and the legislative have long agreed that our basic efforts at development must be geared toward equitable and sustainable growth and development. Our Social Reform Agenda has been our blueprint to alleviate poverty through social reforms and economic growth.

### **Alleviating the conditions of the poor**

Yet, while we fine-tuned our efforts to fight poverty and integrated national and international commitments on human development into our framework for poverty alleviation, there were nagging doubts that these efforts, if not followed through, would not achieve our objective of empowering the disadvantaged sectors.

R.A. 8425 is our assurance that present and future efforts to fight poverty and improve the conditions of our disadvantaged sectors will be continued into the 21st century. This law defines the objectives, activities and publics of the Social Reform Agenda— which include the farmers, the fisherfolk, indigenous peoples, workers in the informal sector, the urban poor, women, children, the disabled, the elderly and victims of man-made and natural calamities.

This law creates the National Antipoverty Commission (NAPC)—the successor-in-interest of the Social Reform Council and a merger of the Council's secretariat, and the Presidential Commission to Fight Poverty and the Presidential Council for Countryside Development— to orchestrate all endeavors toward poverty alleviation. R.A. 8425 perpetuates the collaboration of people's organizations and non-Government organizations with Government to fight poverty. Furthermore, as NAPC chairman, no less than the President of the Republic is tasked to watch over the continuing partnership between Government and these basic social sectors.

As such, not only has participative government been enshrined in law; we are also putting an end to buck-passing while making sure that the partnership between the private sector and the government is vigorous, functional and potent at all levels of government.

### **Institutionalizing socialized credit**

Of great relevance to the poor, who have little or no access to credit, is the law's provision for noncollateralized micro-lending. To the poor who are unable to acquire properties that can serve as loan collaterals, the only access to micro-finance is through high-interest non-formal lenders symbolized by the "five-six" or six-peso payback for every five pesos borrowed. Institutionalizing socialized credit to the poorest sectors improves their earning capacity and makes available to them other opportunities like education by which they may improve their lives. Credit for micro-financing will be handled by the People's Credit and Finance Corporation, which shall mobilize both local and international funding sources for exclusive use of the poor.

For those who fear that Government has embarked on another scheme for doles, I must say that our poor have demonstrated again and again their capability to pay back their loans, with a record better even than wealthy borrowers. The payback rate among the poorest sectors is in fact higher than those who have borrowed larger sums.

The People's Development Fund is also established by this law, and its use will be monitored by the NAPC. This trust fund will be used for micro-financing as well as for research and development to attain our objectives of poverty alleviation and delivering basic services to the underprivileged.

### **Our main weapon in reducing poverty**

We foresee the impact of the institutions set up under R.A. 8425 to be felt long after my term is finished and long after the authors and coauthors of these bills have retired from Government service. Indeed, both the executive and legislative branches regard this law as their main weapon in hastening the reduction of poverty incidence in our country.

We have much cause to rejoice in today's harvest of laws. With the assurance that our development projects have the legal and financial bases to support the empowerment of our people, we have much reason to look forward to a better life in the new year—the year of the centennial of Philippine independence—and in the years beyond.

*Source:* **Presidential Museum and Library**

Ramos, F. V. (1998). *The continuity of freedom : a democratic and reformist society is our unique competitive advantage*. [Manila] : Friends of Steady Eddie.

[Delivered in Malacañang, Manila, January 6, 1998]

Moreover, most of the medicine now being prescribed to end the crisis is precisely what we have zealously and effectively put in place in our country after the long years of dictatorship—transparency in finance and economic

affairs; safeguards against crony capitalism and other practices injurious to a market economy; and the institution of democracy and the rule of law.

### **The cure can work**

*The Asian Wall Street Journal* of December 23, 1997, asserted that “to judge by the health of the IMF’s oldest Asian patient, the Philippines, the answer is that the cure can work, at least in some countries and under certain conditions. . . . but the IMF’s cure set in over time in the Philippines and played a major part in pushing the nation away from the crony capitalism of the late dictator Ferdinand E. Marcos and toward a vibrant free market. The fund also is credited with helping the Philippines avoid economic excesses that have toppled neighboring economies.”

In fact, the global financial prescription adopted to reverse the downspin is based on what is now well known as the “Manila Framework,” which calls for internal reforms within the severely affected economies and tighter cooperation worldwide.

Many of us will rightly wonder why—given our record of good housekeeping and sound fundamentals—our peso has lost 40 percent of its value and shared the travail of other Asian currencies.

### **Shaky investor confidence**

One simple answer is that we too are vulnerable to the nervous flight of investor confidence from the region. As *The Economist* of London has noted, in a time of financial panic, fundamentals become momentarily irrelevant.

Another explanation is that in the face of competitive devaluations in the region, our currency cannot afford to stand still—because it would lead to our exports being priced out of the world market.

This is the painful lesson brought home to us by Asia’s present troubles.

Amid our distress, however, there is a silver lining. When the turmoil settles down—as we believe it will in 1998—our record of good housekeeping and strong economic fundamentals should serve us well. Our recovery will be steady and sure.

On this prospect, foreign financial institutions and analysts share the reading of our own managers and economies. To cite a few:

- A ranking of nine key Asian economies published in *The International Herald Tribune* on September 17 last year placed the Philippines as the fifth best economy in the region—next to China, Hong Kong, Singapore and Japan. The ranking assessed “their prospects of overcoming the turmoil; grappling with loan losses in financial and property sectors, and recovering or maintaining their economic growth potential.”
- In its latest economic outlook “Asianomic infobox,” Credit Lyonnais Securities Asia observed that the Philippines “remains our firm bet . . . as the country most likely to emerge from the current difficulties in Southeast Asia intact and with an even brighter future ahead.”
- The American Express Bank in October last year observed that among the world’s rapidly modernizing countries, the Philippines has grown the fastest.
- The Economic Freedom Network—a consortium of 47 research institutions worldwide—ranked the Philippines as the tenth freest economy in the world—owing to its recent economic policy reforms and trade liberalization moves. The ranking is an improvement from the country’s 25th position from 1990 to 1995.
- And, in an article entitled “Last Laugh for the Philippines” and published last December 11, *The New York Times* noted that the “onetime joke economy [the Philippines] has avoided much of Asia’s turmoil . . . avoiding the more damaging banking and real-estate chaos that has afflicted countries in East Asia.”

In sum, there is widely shared confidence—here and abroad—that our financial woes are temporary, manageable and fully surmountable; and that we can turn the situation into an opportunity for further growth and expansion.

And this setback serves only to highlight the importance of completing our program of reforms and of reinforcing the foundations of our economy. If we move boldly now, we can ensure that our economy will be better positioned to grow and to compete once the turmoil is over.

### **Highlights of economic performance**

A review of our economic performance underscores this positive assessment of the economy—and why we have avoided the overheating that has built up in other parts of East Asia.

- The Asian financial turmoil notwithstanding, our economy continued to grow. Our gross national product grew by 6.0 percent in real terms for the first three quarters of 1997 compared with the same period in 1996.
- Output here at home, as measured by the gross domestic product, grew by 5.2 percent in real terms over the first three quarters of 1997, led by the services sector with a strong 6.1 percent growth.
- In spite of the initial effects of El Niño on rice and sugar production during the third quarter, the agriculture, fishery and forestry sections grew by 2.7 percent during the first three quarters. The gross value of agricultural production, at constant prices, reached P127.7 billion, compared with P124.2 billion posted in 1996.
- Overall industrial growth remained robust at 5.6 percent. Construction led overall industry growth with a 15.2 percent expansion for the first three quarters of the last year, despite the currency turmoil. Manufacturing and utilities both grew at 4.1 percent and 4.9 percent, while mining output declined by 5.9 percent.
- Our merchandise exports grew by 23 percent during the first three quarters of 1997, second only to China's in our region, and surpassing our average of 16-to-18 percent export growth over the past four years. Over the period from January to September, we also reduced our trade deficit by 6.4 percent. As a consequence, our debt-service payments are down to 12 percent of total exports; our credit ratings have remained stable.
- While we may not reach the record budget surpluses of the past four years after almost 20 years of deficit, the completion of the Comprehensive Tax Reform Program through the enactment of R.A. 8424 last December 11th signifies that, despite the present fiscal difficulties, our fiscal position will be more sustainable in the long run. With efforts to maximize fiscal savings by increasing tax revenues, cutting expenditures and by a determined effort to improve our national savings rate, our outlook for 1998 is cautiously optimistic. We hope to achieve a respectable budget surplus by the year-end 1997.
- As the country least affected by the currency turmoil, the Philippines has remained high in investor confidence. Investments generated by the country's four investment generating agencies—the Board of Investments, the Philippine Economic Zone Authority (PEZA), the Subic Bay Metropolitan Authority and Clark Development Corporation—dramatically increased by more than four times—from P144 billion during the first nine months of 1996 to P613 billion during the same period in 1997.
- Tourism sustained its strong performance in 1997 and remained one of the country's fastest growing sectors. For the first 10 months of 1997, visitor arrivals reached 1.7 million, representing a 9.7 percent increase over the 1.6 million registered during the same period in 1996. When the figures are fully in, we should comfortably achieve, for the first time ever, more than 2 million foreign tourists for the entire year.
- Countryside development has grown tremendously with easier access to credit made available to small and medium enterprises. P120 billion, or 12 percent of the total loan portfolio of commercial rural and savings banks, has been lent to our small-business people and cooperatives over the past five and a half years. Opportunities for spreading the benefits of growth have been created by the opening up of 65 growth centers throughout our 16 administrative regions under the PEZA law.
- With respect to inflation—which arouses anxiety among our people—the depreciation of our currency and the subsequent rise in interest rates have had only mild effects on prices of basic goods and services. The average monthly inflation rate for all of 1997 reached only 5.1 percent compared with 8.4 percent in 1996. This was well below the targeted range of 6.0 to 6.5 percent.



### **Our banking system is stable**

This was brought about by our decisive fiscal and monetary policy responses to global challenges; our timely interventions in the El Niño problem; the development of critical infrastructure which improved agricultural supply and pricing; and the continuous monitoring of market price movements of basic commodities to check against unscrupulous traders.

I can report to you that our banking system is stable and well supervised by the completely autonomous Bangko Sentral ng Pilipinas. Morgan Stanley rates Philippine banks as “above average” and in the league of Hong Kong and Singapore, and their lending to property developers, at less than 18 percent average, is much smaller than elsewhere in the region.

### **Transparency of our financial system**

The transparency that many look for among some of our neighbors is a well-established fact in our financial system. If we have adopted tight measures as a response to the crisis, their object is to remove disruptions and quell speculation in the market. This way we can restore order, ensure market discipline and reestablish stability and balance for long-term benefits to the economy.

The upside to this is that we can tap more funds and have more options for trade and growth. The downside—as we East Asians have discovered to our sorrow—is that the freer flow opens us to international market risks and cross border flows that can threaten stability and gains in our economy.

That our own economy went through a very difficult time in the eighties has helped in the long term. We learned our lessons well from the painful bout with crony excesses and protectionist policies. We applied the lessons with firm conviction in doing what is right—and what is good for the longer term.

Our position amid the regionwide turmoil vindicates the economic reforms we have launched and the growth strategy we have pursued. We must not swerve from this path, but it is plain that we cannot just stand smugly satisfied with what we have already done. Further reforms are in order and we must now embark on a resolute effort at institutional strengthening.

### **Challenges to our democracy**

We have coped with the economic crisis positively, just as we firmly tackled other critical issues affecting our people.

We faced the challenges to our political system with the use of democratic institutions and processes. We addressed the debate on constitutional amendments through a series of nationwide consultations and dialogues, and allowed our people the full freedom to express themselves and be involved on matters affecting their lives. We conducted problem-solving sessions at the field through 18 regional Cabinet meetings during 1997. And we brought Government even closer to the people through 69 presidential visits all over the country, or an average of one every five days.

We sustained the implementation of our peace agreements with the Moro National Liberation Front and the military rebels, just as we scored gains in the negotiations with the Moro Islamic Liberation Front, and maintained open lines of communication with the Communist Party of the Philippines, New People’s Army and National Democratic Front.

We responded swiftly to the increasing public outcry over the resurgence of kidnappings and drug trafficking by stepping up our law-enforcement operations and enhancing the role of the Presidential Anticrime Commission against crime syndicates and drug lords. We sought the closer integration of the five pillars of the criminal justice

system to keep our people's confidence in the rule of law by putting behind bars even some of the rich and the powerful.

The successful conduct of the 1997 barangay elections showed once more our capacity to choose our leaders in a democratic, peaceful and orderly manner—a desired quality we will prove anew this coming May.

### **The other priority programs**

We accelerated our efforts to expand and upgrade our infrastructure and energy facilities.

Last year, we completed the construction and upgrading of 3,855 kilometers of national roads and 34,302 lineal meters of bridges. We revived the Pasig River transport service to promote the use of inland waterways as an alternative mode of transportation. We have upgraded our civil aviation safety systems to meet international standards.

With the inauguration of the Leyte-Cebu Power Cable Interconnection last November, we started the interlinking of the major island grids which will allow the pooling of system reserves and the shifting of power in areas where it is deficient. Not only have we increased the country's energy output to 11,500 megawatts from a mere 6,950 megawatts in 1992, but we have also tapped indigenous sources of energy, such as gas, geothermal, coal and hydro to reduce our dependence on oil-based power plants. We have already launched ocean, wind and solar projects as alternative sources of energy.

We vigorously carried out programs and projects to protect our environment and conserve our natural resources. We are protecting and rehabilitating such critical areas as Boracay Island and the Ifugao Rice Terraces and we are cleaning our bodies of water, such as Laguna de Bay, Taal Lake and Lake Lanao.

### **Expanding global linkages**

We continue to streamline our bureaucracy to have it manned by a fit, productive and creative manpower. We have adopted the widespread use of telecommunications and information technology to improve public service delivery and reduce processing time in government offices.

On the international scene, we expanded our global linkages by building and strengthening partnerships and developing new ones with countries that no Philippine head of state had ever visited. I was happy to receive in 1997 the heads of state or government and other high dignitaries from a dozen countries around the world. The goodwill thus mutually generated will stand us in good stead in the years to come.

We pressed for cooperation within the international community in addressing new and urgent global issues, such as international terrorism and other transnational crimes, especially the illicit global trade in dangerous drugs and the illegal traffic in and criminal exploitation of women and children.

To equitably share the fruits of our development efforts, we sustained the implementation of the Social Reform Agenda by expanding access to quality basic services and facilities, such as shelter, employment, education, health, water and nutrition.

We passed the National Antipoverty Act to institutionalize the mechanisms for capability building and antipoverty interventions, especially for generating livelihood and jobs. We enacted two other landmark propoor laws—decriminalizing squatting and precluding overseas Filipino workers from being subjected to double income taxation.

In line with our special focus on the rights of the marginalized sectors, we approved into law the Ancestral Domains Act (R.A. 8371), which established mechanisms that will guarantee the realization of the indigenous people's rights, customs and traditions, as well as protect their claim to ancestral domain.

Along this principle of self-determination, we enacted an improved Cordillera Autonomy Law (R.A. 8438).

### **Innovations in governance**

We were able to achieve all of these because we sought and received the cooperation and counsel of the various sectors of our society. At the same time, we introduced innovations in governance that not only bring the Government closer to our people—thus further empowering them—but also encourage their participation in community decision-making to shape their own future and quality of life.

To ensure our harmonious working relationship with Congress, we created the Legislative-Executive Development Advisory Council in whose meetings we pushed for our common legislative agenda. Between July 1992 and end December 1997, Congress passed—and I approved—175 laws of national significance concerning reforms in the economy (67); in social development (66); and in our political, judicial and electoral institutions (42). Since reforms have been institutionalized in legislative enactments, this ensures the stability and continuity of policies even beyond the Ramos Administration.

### **Feeling the popular pulse**

To ensure that our proposed solutions to problems were attuned to the aspirations of our people, we tapped the participation of the various sectors of society in the drafting and adoption of key development thrusts through various consultations, workshops and summits.

Then there is the matter of my conducting personal visits to our provinces, cities, municipalities and barangays. I have often been criticized for my foreign trips, notwithstanding the urgency of the missions I carried out, but only a few have reported on how often I visited the countryside, even on weekends and holidays. In all of the past five and a half years, I made more than 600 provincial trips, far more than that of any previous administration, bringing Government closer to the people, feeling their pulse, knowing their concerns and solving them right there and then, as well as fast-tracking projects by reducing or removing their bottlenecks.

The gloom that now pervades the Asian scene does not necessarily mean that the Asian economic miracle is over, as some Western analysts have lately been saying. East Asia has overcome far more serious challenges—and will do so again.

Even Paul Krugman—the economist who is credited with questioning the Asian miracle as early as 1994—noted last week in the newspaper *U.S.A. Today* that “Asia’s growth was real and will resume.” For the Philippines, it is just a matter of time, of good management and of resolute leadership.

The World Bank has forecast an average of GDP growth rate of 7.6 percent for East Asia over 1997-2006. That figure, although lower than those of the early 1990s, will still make East Asia the fastest-growing region over the next 10 years.

Given this prognosis, I say it would be a mistake to simply adopt a policy of waiting for the crisis to blow over, confident that timely measures will be adopted to end the turmoil, and that the region will soon enough return to growth.

### **A second generation of economic reforms**

I say this is the time to position ourselves to benefit the most from the forthcoming recovery—by shoring up weaknesses in our economy and in social equity; by closing the gap between our economy and those of our neighbors; and by taking advantage of our competitive edge and comparative advantages.

I say this is preeminently the time for us to strengthen our economy by launching a second generation of reforms crucial to our economic stability and competitiveness in the world economy.

These key reforms are the following:

*First*, the completion of the policy environment to make our economy more competitive in the world and more resilient against shocks and crises. These include the enactment of our fisheries and land-use codes, the oil deregulation amendment, the antiracketeer-influenced and corrupt organizations (RICO) bill, and measures to develop and strengthen our capital markets and national savings rate; foster a competitive and stable exchange rate; prevent the further creation of monopolies and cartels, and liberalize the retail trade—all of which will enable the market system to work more effectively.

### **Modernizing infrastructure**

*Second*, the accelerated modernization of infrastructure that will allow national society to become more productive and function more efficiently. The pace at which we build infrastructure and facilities must be speeded up even more by the next administration.

*Third*, the improvement of government's capacity and efficiency across the board. Let us work at streamlining the bureaucracy even more; at pursuing without letup our campaign against graft and corruption; and at continuously improving and innovating systems to make government even more effective and efficient.

*Fourth*, the improvement of our legal system and the workings of our judiciary. Once and for all, let us not hesitate to correct the shortcomings and the lapses of our judicial system, which often serve as a brake on economic progress and social development.

*Fifth*, the accelerated improvement of education and training in our country. We must continuously upgrade the quality of training even as we significantly increase the quantity and improve the quality of students and graduates by distance education, dual training systems, informal cooperative methods, and scholarships. This we must do in order to assure ourselves of globally competitive human resources.

*Sixth*, and finally, the upgrading of our law and order systems. We must pursue the modernization of the National Police and complete the accompanying measures needed to make our law enforcers, supported by our Armed Forces, more capable in combating and preventing crime, and the criminal justice system more efficient and responsive. We must ensure that all five pillars of justice are made uniformly effective and truly coordinated so that law and order will reign supreme in our land.

The point of this new generation of reforms is that the modernization of the economy cannot take place without corresponding reforms in society, politics and governance.

And if, as I believe, we must reexamine the Constitution—to improve qualitatively the State's capacity to promote the interests of the national community—let us do so without delay during the term of the next President, for sensible reform can neither be too soon nor too much for the nation to attempt.

### **The importance of the May elections**

This brings me finally to the high importance of the coming elections in May. This political exercise will be a watershed for our democracy as the new President, the new Congress and the new set of local executives who will be elected will be the first to hold office in our second century as a competitive and vigorous Republic.

Whatever be one's party affiliation, whatever be one's political faith and whoever one supports, it should be our common resolve to ensure honest, orderly and peaceful elections (HOPE), which will be credible to the people. The acronym HOPE is apt because truly a successful election will strengthen the ramparts of democracy in our country.

This, together with the Commission on Elections, I guarantee you as your President.

And if we choose wisely and install effective leadership at the helm of government, we can enter the 21st century in a stronger position to compete effectively in the world.

I fully realize that electoral politics invariably sends us Filipinos into paroxysms of passion because of the intensity with which we pursue our political beliefs and personal agendas. By all means, let us contend and debate our preferences in the coining campaign. But let us not allow our passions to run so high that we cannot come together again as brothers and sisters in a civil democratic society, after the campaign is over.

### **The gift of democracy**

Let us ensure that, at the end, we shall be in a position to receive the true gift of democracy—which is the peaceful turnover of power to the duly elected leaders and representatives of our people.

This, also, I guarantee you as the outgoing President of our Republic.

It is my fervent hope—as I enter the final months of my Presidency—that on June 30, 1998, I shall turn over to my duly elected successor a nation strengthened by our democratic labors of a hundred years since 1898—an economy returned to sustained growth, and a people empowered to effectively respond to what development, modernization, globalization and the national interest demand of them.

In 1898—at the first dawn of our Republic—our forebears could only dimly see what was within their capacity to build in this country. For theirs was the burden of steering the new nation past the ambitions of imperialist powers, and with only a community of six million without any experience of self-government.

### **The true spirit of our people**

Today—one hundred years later—we are a nation 70 million strong—a resilient and united people risen from the vicissitudes of war, rebellion and peace—and a country that has won a position of respect and a measure of progress in the world.

The resilience I speak of is best exemplified today by our four million overseas Filipino workers, whose labors and savings have helped sustain our economic growth and international friendship.

Perhaps more than any other Filipino, I have, as your President, kept in my mind the remembrances of the events of the Philippine revolution of a century ago—because of an extraordinary coincidence.

The first major speech I delivered after assuming the Presidency was on the occasion of the one-hundredth anniversary of the founding of the Katipunan, held at the Tutuban Station in Tondo, near Andres Bonifacio's secret headquarters, on July 17, 1992. And the last major speech I expect to deliver as President will be on the occasion of the one-hundredth year on June 12th of the declaration in Kawit, Cavite, of Philippine Independence by General Emilio Aguinaldo.

This fortuitous combination of historic landmarks has been my source of inspiration in all my efforts to bring to the fullness of development in our time—during my watch—the hopes of the generation of our heroic forebears of a hundred years ago.

Where we shall take our Republic in the next century and how much farther we can go as a nation is the challenge we must now confront.

It is important that we continue to rekindle the Filipino spirit characterized by resilience, nationalism, pride in our Filipino heritage, courage and sense of unity. These values that made us resilient as a people shall continue to see us through, with enduring success, the challenges of the next millennium.

### **Into the bosom of progress**

Invoking therefore the blessings of Divine Providence—yet knowing that the future is truly ours to win or lose—we can surmount the current economic crisis and ensure the sustainable development of the nation—we can banish the problems of crime, disorder and divisiveness in our land—we can eradicate poverty and bring all our millions into the bosom of progress—we can complete the modernization of our beloved Philippines—and we can compete confidently as a nation in the world of the 21st century.

The urgent call to all of us is to reach down into our reserves of resilience which enabled our race to survive World War II, win our political independence, depose the dictatorship in February 1986 and actualize the peace and development process throughout our land.

We must not short-change ourselves by falling prey to doomsayers and by just throwing up our hands in despair.

*Kaya natin ito! Kaya ito ng Pinoy!* We have done it before! We can do it again! We can do it enduringly!

*Source:* **Presidential Museum and Library**

Ramos, F. V. (1998). *The continuity of freedom : a democratic and reformist society is our unique competitive advantage*. [Manila] : Friends of Steady Eddie.

**Speech of President Ramos at the Lakas-NUCD-UMDP National Convention '98 Speech  
of  
His Excellency Fidel V. Ramos  
President of the Philippines  
At the Lakas-NUCD-UMDP National Convention '98**

[Delivered at the Philsports Arena (ULTRA), Pasig, January 24, 1998]

**A** **first-rate** **force**  
**to lead the nation**

WE MEET TODAY as a party united in our quest of the best for the Filipino—in our commitment to continue with the good that has been done—and yet to respond creatively and boldly to the challenges of a new century.

Today is a great and glorious day—for our party, for our people, for our country.

Today we have a fresh opportunity to take history—to take the future—in our hands.

**Building on our victories**

Partymates, friends:

Will we return to the mistakes, the shortcomings, the weaknesses, the divisions of the past?

Or will we press forward to expand and to build on the victories you and I have achieved?

This is the challenge we face today: the challenge to choose between inertia and initiative; between backtracking and fast-tracking; between the politics of promises and the politics of performance.

Not only you and I are facing these choices. Seventy million Filipinos are looking to us, the present leaders—the leaders of the Administration party—with the greatest expectations. Seventy million Filipinos are asking themselves if indeed they have found—in the Lakas-NUCD-UMDP—the very echo of their own voices, of their deepest and highest aspirations. Seventy million Filipinos will hold us accountable for our every word and every deed.

**We have delivered on our promises**

Are we still lacking for direction in our economic and political life—or have we found our footing—hit our stride—and made good progress toward our goal?

My friends, our record of these past five years of steady growth—of “Steady Eddie” growth—our record speaks for itself.

Over five years we have built an economy strong enough—resilient enough—to withstand a regional crisis that has already brought some of our neighbors to their knees.

Over five years we have secured peace in our most troubled regions—and brought new hope to our despairing countrymen—a peace that had eluded them for years and years.

Over five years we have reenergized our people—infusing them with a renewed self-confidence such as they had not felt since we deposed the dictatorship at EDSA

At EDSA in February 1986, the leaders of our recovered democracy promised the people a fresh start, a new season of growth under the skies of freedom.

But it took this Administration, six years after EDSA, to deliver on that promise.

The Ramos Administration took the risks and made the moves that have liberalized the economy—doing away with more than 40 years of the worst kind of protectionism, favoritism and cronyism.

We pushed for social reform—reaching out to the poorest of our people—and bringing them into a widening circle of development.

We invited vigorous foreign participation in our economy—through astute economic diplomacy and through fair investment incentives.

In other words, we brought our people to where they should have been 30 years ago—had earlier administrations dared to embark on a genuine program of freeing up our people's talents and energies—of empowering them to *act* and to *grow* on their own behalf.

### **To the threshold of the 21st century**

We brought our people to the threshold of the 21st century—not only in terms of calendar time—but in terms of a genuine opportunity to realize—within their lifetimes—the benefits of being part of a fully modernized nation. This is of paramount importance to our youth who must, in their time, seize the opportunities and take the initiatives—instead of being tied up with the same struggles that we, their elders, have undergone.

And this is why we must move on with reform—why we must ensure the transition of national leadership—from one *proven* performer to another.

Because the Presidency is a never-ending work of building a new home for the Filipino nation—a home where our people, under God, can live together—in freedom, dignity and prosperity—united as one nation at one with the world.

### **Not a jeep, but an LRT**

*Oo nga pala—by “performer,” I do not mean “actor.”*

*Kung may “jeep” ang iba riyan, tayo naman sa Lakas-NUCD-UMDP ay may “LRT”—ito ang Lakas Reform Transit na maghahatid sa ating ekonomiya at sa ating bayan sa kanilang maganda at maliwalas na hantungan!*

*Hindi naman po sa minamaliit natin ang “jeep,” sapagkat may pakinabang na sasakyan din naman ito—tulad ng karitela at kalesa noong unang panahon. Ngunit tulad nga ng kalesa, napag-iwanan din ito ng kaunlaran, sa ayaw man natin o sa gusto.*

*Kung gusto mong makarating mula Baclaran hanggang Monumento nang wala pang kalahating oras, magdi-dyip ka ba, o mag-e-LRT?*

*Sakay na tayong lahat sa Lakas Reform Transit!*

This whole concept of the LRT versus the jeepney really goes to the heart of what we can offer our passengers—the Filipino people—and what the others cannot.



In the great race for global competitiveness—a race that has already begun—the only way to surge forward is to get rid of all excess baggage, to get ahead not only by one’s feet but also by one’s wits, to try new strategies and new routes.

This party we have created together is the vehicle that will take us to the forefront of that race.

Partymates, friends:

It has been a great privilege to lead this party these past six years.

Together we have accomplished a great deal.

Together we have weathered many typhoons and crises.

Together we have had triumphs—and setbacks.

Not all who were with us at the beginning are here with us today.

Not all have passed the rigorous tests of principle and faith—and of mutual loyalty—that bind all of us here.

So be it: this party will always be greater than its parts. It will always be greater than the individuals—including myself—who are its militants and workpeople.

### **A band of brothers**

But what has emerged out of this party—what we have engendered out of our small band of brothers in 1992—is a first-rate force, truly a formidable “*lakas*,” a champion of democracy with development—development with democracy

*Not* a third-rate force—*not* a second-rate force—*but* a first-rate force for peace, for justice, for prosperity.

And nowhere is first-rate more evident than in our candidates for President, for Vice President, for Senator—our world-class team of proven performers.

As our candidates for Senator, we have chosen from among the best and the brightest of Filipinos—with a geographic bias for the Visayas and Mindanao.

As our candidate for Vice President, we have chosen Gloria Macapagal—a young but tested woman leader who is as charming a person as she is well versed in the economic and social reform concerns of our people.

As our candidate for President, we have chosen Jose Claveria de Venecia Jr.—a man who has been my partner in carrying out the reform programs of this Administration—my partner in the building of our party; and a leader skilled in the building of democratic consensus that leads to harmonious problem-solving.

### **To them we entrust our fortunes**

In Joe de Venecia and Gloria Macapagal we have two outstanding Filipinos who have spent practically all their lives preparing for the responsibilities of high office.

To the two of them and to our 12 senatorial candidates, we gladly and freely entrust the fortunes of our party, our people and our nation.

To them I commend—with full confidence and optimism—the task of completing what you and I have begun.

Let everyone contribute to their victory—to our people's victory.

As we celebrate the first hundred years of our independence, let us draw on the best of the past and present—to create the best of the future.

*Source:* **Presidential Museum and Library**

Ramos, F. V. (1998). *The continuity of freedom : a democratic and reformist society is our unique competitive advantage*. [Manila] : Friends of Steady Eddie.

## **Speech of President Ramos at the bill-signing for the Cities of Ilagan and Calapan**

**Speech  
of  
His Excellency Fidel V. Ramos  
President of the Philippines  
At the bill-signing for the Cities of Ilagan and Calapan**

[Delivered at the Main Conference Room, Malacañang, Manila, February 2, 1998]

**Two new urban centers  
in the countryside**

LAST FRIDAY, I signed into law bills creating three new cities—one in the Visayas, the city of Passi in Iloilo; and two in Mindanao, Tagum and the island of Samal, both in Davao province. To dramatize the fact that urbanization is taking place all over the country, I am signing today bills creating two more new cities in Luzon—Ilagan in Isabela and Calapan in Oriental Mindoro.

### **Signs of progress**

These two new laws bring the total number of cities in the Philippines to 74—from 60 cities when the Ramos Administration started in 1992. Six of the 14 created during my term are in Metro Manila. Besides the five new ones, the remaining three are Santiago in Isabela and Sagay and Kabankalan, both in Negros Occidental. By definition, a city is of greater size, population and importance than a municipality. Cityhood—especially in the Philippine setting—connotes a place that is a developed community.

In this sense, the creation of 14 new cities over the last six years, geographically distributed throughout the archipelago, signifies that many of our municipalities have assumed the characteristics of cities. The more important of those characteristics are a conducive business environment, the presence of urban amenities and other infrastructure, and a capacity to deliver improved basic services to their constituents. These new cities, therefore, indicate the progress we have made and the widespread distribution of the fruits of development.

### **The two new cities**

Our two new cities—Ilagan and Calapan—are both capital towns that have been transformed into bustling communities and growth centers. Ilagan was once the capital of the entire Cagayan Valley. It became the capital of Isabela when Isabela was separated from the provinces of Cagayan and Nueva Vizcaya. Its location at the crossroad of the region has enabled it to expand tremendously, as investors invest in its business, travel and industry. Isabela is the critical hub in the agroindustrial development program called the Tuguegarao-Ilagan-Cauayan growth network.

Calapan was the capital of the whole of Mindoro Island before it was divided into two provinces in 1950. Retained by Oriental Mindoro as its capital, Calapan has since become a bustling growth area in the Southern Tagalog region. It combines trade, industrial and agricultural activities, being the link between Southern Luzon, through Batangas City, and the other parts of the island of Mindoro.

With their conversion into cities, we may expect dramatic changes to take place in both Ilagan and Calapan. They will not only create more job opportunities for their people; they will also enhance the delivery of basic services, since they can now formulate better development plans and programs from their greater share of resources.

Every administration since the decade of the fifties has professed its wish to develop towns and cities. The new cities we have created show not only that we are achieving rapid urbanization but also that, as exemplified by the new cities of Ilagan and Calapan, we are also maintaining the balance in development between our metropolitan areas and the countryside.

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**NATIONAL GOVERNMENT PORTAL – EDITED AT THE OFFICE OF THE PRESIDENT OF THE PHILIPPINES UNDER COMMONWEALTH ACT NO. 638**

**Speech of President Ramos at the opening of the National Economic Summit**

**Speech  
of  
His Excellency Fidel V. Ramos  
President of the Philippines  
At the opening of the National Economic Summit**

[Delivered at the Philippine International Convention Center (PICC), Roxas Boulevard, Manila, February 11, 1998]

**Completing the tasks  
of modernization**

THE DEMOCRATIC PROCESSES of consultation and consensus building—through the conduct of summits, dialogues or problem-solving sessions—have been a hallmark of the Ramos Administration since it assumed power in 1992.

The Administration has sought to overcome the barriers of geography, cultural diversity, economic disparity and political ideology—that had divided us in the past—by reaching out to all sectors of society in the spirit of dialogue and consensus building. The multisectoral people’s economic summit in 1993, which resulted in the “Social Pact for Empowered Economic Development” (SPEED), was the first successful attempt to bring the major players in government together with key leaders and representatives of the basic sectors to discuss our development priorities.

SPEED contained more than 100 commitments from the Government (both executive and legislative) and basic sectors which were pursued up to this date. These commitments—and the accomplishments that were attained through collaboration between Government and civil society—were along eight priority areas:

1. Ensuring national unity, justice, peace and security;
2. Investing in human resources and generating employment;
3. Ensuring infrastructure support and adequate energy for development;
4. Closing the fiscal gap;
5. Mobilizing investments and leveling the playing field;
6. Conserving the environment and ensuring sustainable growth;
7. Accelerating agroindustrial development and promoting food security; and
8. Energizing the bureaucracy.

**A new social compact**

It may be noted that SPEED gave the momentum to the Government, with the support of basic sectors, to come up with 184 laws of national significance, broken down as follows: 66 in social reform, 50 in political reform and 68 in economic reform (this includes R.A. 8479, the Deregulation of the Downstream Oil Industry Law of 1998, just enacted yesterday).

This National Economic Summit is considered “SPEED II.” And it aims to achieve the following:

1. Review our commitments under SPEED, determine what we have accomplished and what remains to be done;
2. Generate consensus on legislative and executive measures to deal with the effects of the currency crisis on our economic situation; and

3. Firm up the commitments of the Government and civil society on the next stage of our reform program in pursuit of our development goals.

The expected output of the National Economic Summit is a new social compact similar to SPEED which contains the commitments of the Government (executive and legislative branches) and civil society in order to move us toward our economic and social development goals (hence, the term SPEED II). This new social compact will also serve as the Government's guide in dealing with the current economic situation within our overall development objectives.

### **The expanded LEDAC**

On September 26, 1997, nearly three months after the currency and financial crisis erupted in East and Southeast Asia, I convened an expanded Legislative-Executive Advisory Council (LEDAC) Summit meeting. We invited leaders from business, industry and socio-civic organizations to join the political leaders of the executive and legislative branches of government.

Our objective was threefold.

First, to assess the nature and extent of the problem.

Second, to chart a course of action that would enable the economy to navigate safely through the turbulence.

And third, to ensure that the gains that came with the economic recovery since 1992 would be maintained.

We in Government have been extremely conscious of the potential magnitude of the currency problem. Early on we put in place short-term fiscal, monetary and financial adjustments. But to strengthen the long-term position of the economy we were certain that a concerted approach from all sectors of society was essential.

The currency turmoil was an eye opener for us. It exposed some vulnerable spots in the economy that needed strengthening. And so we crafted the six-point agenda during the September summit meeting. We agreed to do the following:

- |                               |     |                 |                |
|-------------------------------|-----|-----------------|----------------|
| 1. Reduce                     | the | current-account | deficit;       |
| 2. Maintain                   |     | financial       | stability;     |
| 3. Maintain                   | the | growth          | momentum;      |
| 4. Keep                       |     | prices          | stable;        |
| 5. Keep                       | the | momentum        | of reform; and |
| 6. Support the disadvantaged. |     |                 |                |

### **Short-term proactive policies**

In pursuit of these goals, we protected the surplus of the National Government by adopting fiscally frugal measures. We instructed Government corporations to remit the dividends and tax payments due from them, enabling the National Government to post a small surplus by the end of 1997. The merged public-sector account, however, fell into a deficit, largely due to hefty increases in interest payments on the public debt. Frugality in Government and in its corporate sector, therefore, must continue.

But even as we reduced Government spending we protected Government programs designed to improve the ability of the low-income groups to cope with the currency turmoil. We speeded up, for instance, the release of the poverty alleviation funds targeted at fifth- and sixth-class municipalities.

The adherence to market-determined exchange rates and interest rates in turn helped narrow the trade deficit. As of end November 1997, the trade deficit declined to US\$9.86 billion, a 30 percent drop from the level of the same period in the previous year.

### **Mopping up excess liquidity**

Monetary policy was tightened in conjunction with the observance of frugality in the Government. The good thing that came out of this is the inflation rate stayed at the low single-digit, ranging from 4.5 percent to 6.5 percent between July and December, even though the peso lost about 40 percent of its value against the dollar between July and December 1997.

Moreover, in tightening money supply, the Bangko Sentral ng Pilipinas was able to mop up any excess liquidity that would further weaken the peso against the dollar. Additional measures of the bank in currency risk protection—reached in consultation with the Bankers' Association of the Philippines—dampened speculative activities of banks with unhedged dollar-denominated loans.

As a result, peso-dollar fluctuations have declined by a wide margin over the past few weeks. Nonetheless, the exchange rate is for the most part market-determined. It can swing toward either a weak or a strong peso. But a price had to be paid for the tightening of fiscal and monetary policy. Interest rates, which had risen with the first wave of exiting internationally mobile capital, went up a few percentage points more. This remains a pressing challenge even at this stage.

We uphold the importance of keeping down inflation. We underscore the importance of minimizing exchange-rate fluctuations. But even as we do so, let us not kill the economic recovery with high interest rates. I urge all of you, bankers and borrowers alike, to work out the additional executive and legislative measures needed in this regard.

### **The Manila Framework**

The severity of the Asian financial crisis made us realize that nothing short of international cooperation was needed to contain the crisis.

For our part, we hosted the meeting of Asian finance and central bank deputies last November 18 and 19. The meeting yielded crucial agreements that are documented in what is today popularly referred to as the "Manila Framework." On my recommendation, the leaders endorsed the Manila Framework at the APEC leaders' meeting on November 25, 1997, and instructed their finance ministers to give priority to its early implementation. Since then the IMF has been able to come to the aid of South Korea, Indonesia and Thailand, the three countries considered financially distressed and in need of a bailout.

The internal policy refinements we put in place, plus our initiatives for international cooperation, produced positive results. We have minimized the fallout from the currency crisis. This is evident from recent figures that reflect the overall performance of the country. Defying the predictions of doomsayers, national output adjusted for inflation posted a growth rate of 5.8 percent and an average annual inflation rate of 5.1 percent for the whole of 1997, and per capita income has risen accordingly.

The economy is in good health, owing to the sound socioeconomic policies the Government has pursued and the policy refinements we introduced in response to the currency turmoil in Asia.

Despite this respectable economic performance, we cannot—we must not—drop our guard. We must do more to realize our aspiration to transform our country into a modern and industrialized society.

### **Raising national savings**

The currency turmoil, long after it is gone, will permanently remind us of an important requirement of modernization and industrialization: the need to raise national savings and ensure that only socially efficient investments are undertaken.

Our capital market reforms are in the right direction. New savings instruments are emerging in the financial and equity markets to supplement bank deposits and pieces of real estate, long the traditional choices of individual and household savers.

We must continue to fight inflation. High prices are always a disincentive to save.

Our programs in health and nutrition, since they raise life expectancy, help increase savings because people will save for the future if they expect to live longer.

However, we must strengthen the social insurance system. We must expand coverage, for one. In addition, retirement benefits must allow the elderly to lead their lives in dignity.

All of these mean that revenue collection must be efficient and use of taxpayers' money is prudent and wise. Along this line, we must emphasize the following measures in the balance of my Administration and in the next:

- Government priorities must include the rightsizing of the bureaucracy.
- We must plug the subsidies to public corporations that drain the Government budget. Let's privatize those delivering services that can be handled by the private sector, similar to what we did to the Philippine National Bank, Petron, and the Metropolitan Waterworks and Sewerage System. Let's speed up the privatization of National Power Corporation's power generation.
- We must also put a cap on tax expenditures, the foregone revenues from special fiscal incentives and duty-free imports.
- Finally, we must make sure that the internal revenue allotments of Local Government units earmarked for development really support devolved activities.

### **Good governance**

As we enter the 21st century we maintain our focus on our vision to build a modern society. To lay the material foundation for this long-range aspiration we must make sure that our industrial transformation continues and accelerates.

Global competition will be enhanced as we enter the new millennium. We can reap the gains from the opening up of markets on a global scale, provided we do not deviate from the policy reforms that are rooted in strong market orientation through privatization, deregulation and liberalization.

Market-friendly policies provide the flexibility called for in responding to shocks like the currency and financial crisis that has engulfed the region. To meet these conditions, good governance at all levels is indispensable. This has several dimensions. We stress the imperative of guaranteed external security, peace and order and of a credible and efficient legal, judicial and administrative system.

### **Correcting market inadequacies**

The Government must be prepared to provide the collective action that corrects market inadequacies. It can do so directly, or it can mobilize groups and coalitions outside of Government that can be relied on to deliver the corrective measures if market outcomes fail to advance society's well-being.

Speaking from personal experience, my Administration has benefited a lot from this broad-based strategy. When I assumed the Presidency, we knew we had to adopt a new strategy in government to raise the level of prosperity and to spread that prosperity throughout the country.



We work closely with Local Governments so that the delivery of public goods and services devolved to them by the Local Government Code is not compromised. We continue to encourage the partnership with organizations outside of the Government that are intimately acquainted with issues and problems of implementation at the grassroots.

We have learned from experience the far-reaching value of summit meetings like this where the top leaders of government get to sort out issues of national significance in consultation with private-sector leaders of varying persuasions and views, and agree on an appropriate course of action. It is in summit meetings like this where the concerns generated in the presummit consultations in the regions, which are diverse in their political and economic objectives, are distilled and dealt with accordingly.

### **We still have unfinished business**

Let me cite as an example our own SPEED, or the Social Pact on Empowered Economic Development, held in September of 1993. During that summit meeting, we forged a consensus on the priority policy reforms both for stabilizing the economy and for restructuring industries. The commitments were followed up in the meetings of the Legislative-Executive Development Advisory Council, whose regular feature is the common legislative agenda.

And so by 1996, one year ahead of schedule, the public-sector fiscal account was in surplus. And yet, in spite of the deficit reduction, we were able to build more roads, health clinics, ports, airports and bridges. And the private sector, unhampered by heavy Government regulation, was able to create more jobs and raise wages and salaries.

But as I said in my *Ulat sa Bayan* last January, we still have unfinished business. Even before the currency turmoil broke out, we had already targeted further decline in the unemployment and poverty incidence rates. Hence, this national economic summit, which we call SPEED II.

We who are here today share a common dream. We want present and future generations of Filipinos to enjoy continuing improvements in the quality of life. We want every citizen to emerge economically and socially secure from the century about to close.

### **Raising our workers' skills**

Let us start at the most fundamental level. We must create more jobs and ensure a rise in productivity over time. This undertaking no doubt must be led by the private sector. Business and industries are the employers of labor. They must encourage and promote industrial discipline and teamwork that lead to productivity gains.

On the part of Government, we will adopt a policy environment conducive to growth. We are reforming the power sector, particularly the pricing of energy and electric power. We are raising investments in the other infrastructures that permit efficient private-sector production. We will respect employment and wage contracts agreed upon privately and voluntarily, an approach to industrial relation we actively promote.

The Government will also play a prominent role in raising the skill composition of our workers. We can do this by raising the quality of education and training. We will invest heavily in improving the quality of basic education. We will hire more qualified teachers and train those already in the service so that they can acquire the teaching skills called for by technological progress. We will reduce class size and improve buildings and other facilities.

For workers displaced by technological progress, we will strengthen the retraining programs in vocational and technical education. This can also deal with the needs of some of our returning overseas workers. Life-long learning is essential in a world that is rapidly changing technologically.

At the tertiary level, we will pay attention to developing a critical mass of scientific manpower. Global competitiveness demands this. We need skilled workers who can master the sophisticated tasks called for by advances in technology. Only through this can we have innovation-led growth.

## **Helping the disadvantaged**

We recognize that the financial requirements of upgrading education and training are huge. The National Government will continue to commit a large part of the budget to these activities, but they must be supplemented. I urge all Local Government executives and legislators to channel development funds at their control to this noble goal.

At this stage, though, economic recovery is at its longest run since the restoration of democratic political institutions at EDSA. There are still disadvantaged members of society who need help from the Government. The strategy for this is spelled out in the Social Reform Agenda.

We have identified the occupation groups in need of affirmative action. These include the agrarian reform beneficiaries, artisanal fisher people and indigenous cultural communities.

The agencies of Government have pursued a convergence approach so that their programs and projects—such as those of the Department of Health; Education, Culture and Sports; Social Welfare and Development—can be focused on these disadvantaged members of society. Congress, in this connection, has passed the following acts: Social Reform and Poverty Alleviation, Agricultural and Fisheries Modernization, and Ancestral Domain. We in the executive branch will make sure that the intent and objectives of these acts are fully realized.

## **The psychological reasons for success**

As we deal with these tasks and challenges before us, we cannot be unmindful that this year is national centennial year. This makes the price of failure prohibitive and the need to succeed the more compelling.

It is not enough to say that we *can* surmount the crisis and challenges before us: we *must* surmount them.

Here in this conference we will put our heads together to identify and analyze the challenges we must hurdle in our journey to modernization. But beyond all the economic measures required, I will also emphasize the psychological factors for success in this undertaking: the qualities of courage, commitment and faith in the future.

This belief in ourselves and in the future gave us the independence that we celebrate this year.

The same belief will take us through the present crisis and into the 21st century.

Let us hasten then to the tasks before us.

*Source:* **Presidential Museum and Library**

Ramos, F. V. (1998). *The continuity of freedom : a democratic and reformist society is our unique competitive advantage*. [Manila] : Friends of Steady Eddie.

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PHILIPPINES UNDER COMMONWEALTH ACT NO. 638**

**Speech of President Ramos at the Centennial Dinner for Their Majesties King Juan Carlos I and Queen Sofia  
of Spain**

**Speech  
of  
His Excellency Fidel V. Ramos  
President of the Philippines  
At the Centennial Dinner for Their Majesties King Juan Carlos I and Queen Sofia of Spain**

[Delivered at the Coconut Palace, CCP Complex, Manila, February 11, 1998]

**A  
relationship**

**renewed**

*EN NOMBRE del pueblo Filipino y de la Sra. Ramos, permítanme dar con sumo cariño fraternal la más calorosa bienvenida a sus majestades.*

*Que sus majestades hayan venido a celebrar con nosotros este primero centenario de nuestra independencia es una reafirmación de nuestra voluntad común, cimentada firme-mente durante nuestro intercambio de visitas en mil nueve cientos noventa y cuatro y mil nueve cientos noventa y cinco, de la revitalización de nuestras relaciones fundada en los pro-fundos e imborrables vínculos histórico-culturales que nos han unido durante casi cuatro siglos.*

I am deeply honored to welcome their Majesties King Juan Carlos I and Queen Sofia of Spain on this visit during the celebration of our nation's centennial.

Your Majesties, more than one hundred years ago, our fledgling nation fought a war of independence against your country—a war that brought enormous pain and anguish to families of both our peoples. A war where many Filipino and Spanish lives, in the flower of their youth, fought valiantly and died for the distinct ideals that our two nations then espoused.

Today, while we remember the heroism of our two peoples, we also enter into the beginnings of a renewed relationship. A relationship that is marked by mutual understanding and genuine friendship. A close bond that empowers and enriches the lives of two peoples who value freedom, justice and democracy. A relationship that is based on equality, trust and fraternity based on centuries of shared history.

Allow me, your Majesties, to highlight the indelible contributions of Spain to the development of a distinct Filipino culture, one that is at once European and Asian in character and unique in this part of the world. Your nation's contributions run in our blood and edify our daily lives.

**Recalling Spain's legacy to our country**

In the Philippines, the mention of Spain conjures up so many things, the most important of which is our predominant faith. Brought to our shores by the Spanish missionaries and the conquistadores, Christianity has defined for us a way of life unique in Asia.

The Spanish language has also permeated our national tongue and many of the dialects of our country. Our national hero Dr. Jose Rizal, who furthered his education in Spain, wrote his best works in the beautiful Spanish language. We feel that his statue, which now stands at the Parque Santander in Madrid, is a symbol of Spain's recognition of his greatness, his heroism and his contribution to Spanish literature.

Even in the most mundane of matters such as the culinary arts, visitors immediately appreciate Spain's effect on our cuisine. Such influences in Philippine culture are part of Spain's legacy to our national identity. They are also manifests of Spain's greatness and magnanimity.

### **The lessons of history**

The Philippines' celebration of its centennial is a once-in-a lifetime opportunity for us, and for Spain, also, to open the pages of history for the lessons they may provide.

Indeed, when the centennial celebrations were conceived, there was not a doubt that Spain's participation in a big way would be both appropriate and meaningful. For how can we celebrate the history of this young nation without the greatest part of it? The more than three centuries of shared history have made Spain and the Philippines bound together for all time, like a permanent bridge that spans our two peoples.

The Philippine centennial, therefore, is not a celebration of battles won or lost, but of heritage and patriotism. It is a celebration of our culture and our ties. It is an opportunity to recall and reflect on the past so that we can chart the direction of our future relations.

Your Majesties, let us take this centennial celebration as an opportunity to foster better understanding between our two nations. Let us create new linkages that will bring the West closer to the East and vice versa. Let us explore new avenues for cooperation in the fields of knowledge and education, technology and business, democracy and governance, and strengthen the cultural links that entwine our two nations. Let our relations reach new heights and cover new dimensions.

### **Invitation to a toast**

Excellencies, ladies and gentlemen:

On this note, may I invite all of you to raise your glasses to the health and happiness of their Majesties King Juan Carlos I and Queen Sofia, to the well-being of the Spanish people, to closer Philippine-Spain relations and to the joyous celebration of the Philippine centennial.

*Source:* **Presidential Museum and Library**

Ramos, F. V. (1998). *The continuity of freedom : a democratic and reformist society is our unique competitive advantage*. [Manila] : Friends of Steady Eddie.

**Speech of President Ramos on the enactment of the prescribed Code of the National Flag, Anthem, Motto, Coat of Arms and Great Seal of the Philippines and nine other reform bills**

**Speech  
of  
His Excellency Fidel V. Ramos  
President of the Philippines  
On the enactment of the prescribed code of the national flag, anthem, motto, coat of arms and great seal of  
the Philippines and nine other reform bills**

[Delivered at the Ceremonial Hall, Malacañang, Manila, February 12, 1998]

**Giving  
for our country**

**our**

**best**

IN TODAY'S CEREMONIES, we firm up our commitment to social and economic reforms through ten new landmark laws as we enhance patriotic fervor and strengthen Filipino pride in our national symbols and the patrimony of the nation.

R.A. 8491 "prescribing the code of the national flag, anthem, motto, coat of arms and great seal of the Philippines" defines the appropriate style, means of display and handling of the symbols of our Republic and the manner by which everyone should comport oneself to show respect for our flag, our national anthem and the other symbols of our beloved country.

Among the provisions of which our people must always be aware are the appropriate way of standing at attention during flag-raising ceremonies—by putting the "right palm over the heart"; the correct tempo of our anthem as originally composed by Julian Felipe; the display of the flag in private homes; and the *panunumpa sa watawat* or the national motto.

This time-honored gesture of giving our highest respect to the flag and the national anthem must be instilled in the hearts and minds of our people not only within this centennial year of 1998 but in perpetuity. Again, I call on every Filipino to show the highest respect for our flag and anthem at all times and demonstrate to all other peoples our innate pride in belonging to the Filipino nation.

**Showcase of our rich cultural heritage**

Enhancing our sense of patrimony and national identity is another new law, R.A. 8492, establishing the National Museum, providing for its permanent home and for other purposes. The old Senate Building in Manila has been designated as the permanent site of the National Museum as the primary repository of the treasures and other artifacts that tell the story of the Filipino race. Other buildings nearby are being refurbished to provide more museum venues under this new law.

Now, Filipinos can proudly point to the exhibits and memorabilia that showcase our rich cultural heritage and manifest the heroic legacy of our forebears.

In R.A. 8494, which creates the Trade and Investment Development Corporation (TIDCORP) out of the Philippine Export and Foreign Loan Guarantee Corporation (PHILGUARANTEE), we establish another important agency to serve Philippine exporters.

The newly created TIDCORP enjoys expanded corporate powers that enable it to function as a full-service export credit agency, similar to the export-import bank of the United States. TIDCORP's new functions will not require added funding or appropriation support from Government, because its predecessor, PHILGUARANTEE, was able

to realize a net worth of P804 million as of 1995, and is therefore financially able, on its own, to fulfill this expanded mandate.

The approval of this law is timely in light of the supporting measures we must take to enhance our export activities. In these times of economic uncertainty in Asia, there is an understandable reluctance in the financial sector to provide credit to business enterprises. These are the times when Government intervention is necessary to reinforce our export activities, since we have chosen an export- and investment-led growth path.

This more capable corporation is mandated to provide a wide range of trade and investment financing services such as export and domestic credit insurance, guarantees for export credits and services, direct loans and other financial assistance. With this law, we hope to provide our exporters—be they small, medium or large—another alternative to solve their financing concerns.

## **Strengthening social reforms**

### ***A. Social justice***

A new, important component of our Social Reform Agenda is R.A. 8493, which aims to speed up the period for trials of all criminal cases filed before the Sandiganbayan, the Regional Trial Courts, the Municipal Trial Courts and the Metropolitan Circuit Courts.

It has been said that “justice delayed is justice denied.” But our courts have been swamped by thousands of cases, each one of which takes years to resolve, given the pace of present-day court proceedings. We expect to substantially shorten the trial period of requiring an accused who pleads not guilty to enter either a negative or affirmative defense, after which the accused is granted 15 days to prepare for his defense.

In an affirmative defense, the order of trial is modified and the prosecution is relieved of the burden of proving the guilt of the accused, thereby shortening the trial process.

### ***B. Human resource development***

The practice of mechanical engineering in the country is upgraded by R.A. 8495, “an Act regulating the practice of mechanical engineering in the Philippines and providing for licensing and registration of the operating personnel in mechanical plants and for other purposes.”

This new law repeals Commonwealth Act 294 of 1938, and provides for an improved system for the licensing and regulation of mechanical engineers, including the establishment of a separate Board of Mechanical Engineering examiners to conduct board examinations.

We now take a major step toward making the Filipino mechanical engineer more globally competitive and better prepared to meet the technological challenges of the coming century.

A law that impacts greatly on the future development of the country’s science and technology is R.A. 8496, which establishes the Philippine Science High School system.

This law ensures that the most gifted in science and technology among our high school students will be given a learning environment to sharpen their talents in the Philippine Science High Schools in Metro Manila, Eastern Visayas, Western Visayas and Mindanao. With their intensive training, the graduates of these high schools are envisioned to be the country’s future leading lights in the pure and applied sciences, including the new technologies.

It has been the consistent policy of this Administration to strengthen its thrusts in science and technology, especially for our bright young people who will become our future scientists, engineers, researchers, mathematicians and

technologists. In this respect, we have encouraged schools to upgrade their teaching methods and facilities in science, mathematics and technology at all levels of education.

### **Integrating the Philippine Science High Schools**

This new law integrates the Philippine Science High Schools into a coordinative mechanism—to ensure that uniform high standards are observed and to encourage the sharing of expertise, resources and facilities among various campuses. The policymaking body of the Philippine Science High School system is boosted by this law, which allows the participation of sectoral representatives in its board of trustees. The result should be more relevant policies to meet the changing needs of industry and the labor market.

High-quality science education for competent high school students in Mandaluyong is the aim of R.A. 8497. In following our Constitution's mandate to give priority to education, science and technology, Mandaluyong Science High School is being established, which is apart from the Philippine Science High School system but will also provide special science education to elementary graduates. We congratulate the people of Mandaluyong for this new center of excellence in secondary science education, and we hope that this new school will also apply the strict standards of our foremost science schools.

### **A new State university in Zambales**

A new university will rise in the province of Zambales as provided by R.A. 8498. The Ramon Magsaysay State University has been established by merging the Ramon Magsaysay Polytechnic College in Iba, the Western Luzon Agricultural College in San Marcelino, and the Candelaria School of Fisheries in Candelaria, all in the province of Zambales.

This new State university is a concrete application of the famous lines of President Magsaysay: "Those who have less in life should have more in law," and is expected to help enable the people of Zambales to recover sooner from the disastrous lahar flows of Mount Pinatubo. This university will also provide a modern bridge for Zambales to return to its growth momentum.

Under R.A. 8499, another province devastated by Mount Pinatubo also gets new opportunities for development through education. The Gonzalo Puyat School of Arts and Trades has been established in San Luis, Pampanga, to provide the people of San Luis and contiguous towns more affordable education and better income-generating skills.

It was the dream of the late Congressman Emigdio Bondoc, who sponsored this bill, to offer the youth in his district an alternative that will keep them away from dangerous or nonproductive activities and give them a sure means of earning a living.

Finally, we congratulate the people of Kidapawan, Cotabato, for being the residents of the country's newest city. R.A. 8500 transforms Kidapawan town into a city in recognition of its fast pace of growth. Once again, we have another proof of sustained countryside growth in Central Mindanao, exemplified by Kidapawan City, the 80th city of the Philippines. Along with our best wishes for Kidapawan are our hopes that with cityhood and improved delivery of services, this new city will help spur peace and development in Mindanao.

### **Architecture of reform**

Social and economic reforms have been the priority of this Administration. I thank both houses of Congress for also making these their priority, as evidenced by these ten new laws signed today.

With only two more days left for its special session and a number of vital socioeconomic measures still awaiting approval, I know that the members of Congress have a great load on their shoulders. It is a burden, however, that we must gladly bear in the service of our nation, and I thank you all for cooperating with the executive branch in faithfully working for the passage of the remaining bills that will complete our architecture of reform.

*Source:* **Presidential Museum and Library**

Ramos, F. V. (1998). *The continuity of freedom : a democratic and reformist society is our unique competitive advantage*. [Manila] : Friends of Steady Eddie.



## **Speech of President Ramos on the Enactment of the Condonation of Housing Loan Penalties and Eight Other Reform Bills**

### **Speech of His Excellency Fidel V. Ramos President of the Philippines On the enactment of the condonation of housing loan penalties and eight other reform bills**

[Delivered at the Ceremonial Hall, Malacañang, February 13, 1998]

**Nine  
to empowerment**

**new**

**steps**

THESE SIGNING CEREMONIES signify our determination to give the Philippine State the legal means with which to improve its people's lives. The significance of these new measures must be viewed not only in terms of the number of their immediate beneficiaries but in terms of the eventual spread of these benefits to the majority of our people.

Social justice lies at the core of R.A.8501 “. . . to rescue the national shelter program by condoning the penalties on all outstanding/delinquent housing loan accounts with any of the Government institutions and agencies involved in the national shelter program.” This law also amends the charter of the Home Development Mutual Fund (HDMF), popularly known as the Pag-ibig Fund.

Condoned by this law are penalties on housing loans from the HDMF, the Government Service Insurance System, the Social Security System, the National Home Mortgage Finance Corporation, and the National Housing Authority. To avail himself of this condonation, the borrower must comply with the condition that the loan's principal and interests be restructured and paid within the prescribed period.

Since penalties on defaulting loans and mortgages reach 36 percent yearly, they are a heavy burden on those who borrowed for housing purposes. This law frees borrowers—who belong mostly to the lower- and middle-income brackets—from the burden of added payments and so increases their purchasing power for other necessities. R.A. 8501 also increases the inflow into these Government financing agencies of funds that may further be used to build more socialized housing units. Thus we find in this new law a “win-win” solution for both borrowers and lenders, while helping Government resolve our housing backlog.

#### **Enhancing the Philippine jewelry industry**

R.A. 8502, for its part, speeds up the development of the jewelry-making industry by rationalizing the taxes for its foreign-sourced inputs. The effects of this law are many. First, it should boost our jewelry-making industry, which could not grow steadily because of an unfriendly policy environment. This new law will enable our craftsmen to display to the world the latent artistry of our people. Philippine-made jewelry should now have a competitive advantage in the global market; jewelry exports have proved to be one of our export winners.

To further ensure that the potential of our jewelry-making industry is realized, this law also provides for programs to upgrade the technologies, skills and marketing strategies required of jewelry makers and distributors. Given this law, we hope the jewelry making industry will soon be a major source of foreign earnings.

#### **Improvements in public health and safety**

The main purpose of R.A. 8503 and 8504 is to improve public health by enabling our experts to acquire more knowledge of diseases and their effective control. The first law creates the National Institute of Health (NIH) at the

University of the Philippines in Manila. It is to be the country's leading institution for health research and will serve as the nucleus for a network of medical research institutions.

The choice of U.P. Manila for the NIH is important in that the State university is acknowledged to be the Philippines' center of academic excellence. The NIH will aim not only to excel in health research as an academic exercise. It should also save lives by finding new ways of preventing or curing disease and disability.

Health care and disease prevention are also the goal of R.A. 8504, which calls for the comprehensive monitoring, prevention and control of HIV/AIDS. The dreaded human immunodeficiency virus which causes acquired immunodeficiency syndrome has been a plague to many places in the world. This law fulfills our promise at the 4th International Congress on AIDS in Asia and the Pacific—held here last October—to support the campaign against HIV/AIDS. This law also creates a coordinated nationwide information and educational campaign and a comprehensive monitoring system—all of which will be led by the National AIDS Council.

Easing the plight of rape victims is the intent of R.A. 8505. A companion measure of R.A. 8353—the Antirape Law enacted in September of last year—R.A. 8505 authorizes the establishment of a rape crisis center in every province. The law will try to restore stability to a rape victim's life through legal, medical and psychological counseling help offered at these crisis centers.

We have lost many lives and limbs not to disease but to accidents—among the most common of which are those that involve right-hand-drive vehicles. R.A. 8506 now prohibits the registration and operation of right-hand-drive vehicles. The law empowers the Land Transportation Office to phase out right-hand-drive vehicles within three months from the effectivity of R.A. 8506.

### **New centers of growth**

Today we also create three more centers of growth: one within Metro Manila and two in the provinces. R.A. 8507 converts the highly urbanized municipality of Parañaque into a full-fledged city. R.A. 8508 transforms the town of Antipolo in Rizal province into a component city bearing the same name. R.A. 8509 converts San Fernando in La Union province also into a component city.

To the residents of these three new cities, we offer our congratulations and our hope that they will match this change of status with their individual resolve to work harder to sustain social progress and economic growth.

We have taken nine more steps toward fulfilling our national vision of empowering the Filipino people. We have provided measures that are biased for the disadvantaged groups because we would like them to gain better opportunities to improve themselves. Yet we must also make clear to our people that these measures—no matter how well-meaning—will not be able to bring about the desired results without their full cooperation; and unless those mandated to carry them out are faithful to their sworn duties.

*Source:* **Presidential Museum and Library**

Ramos, F. V. (1998). *The continuity of freedom : a democratic and reformist society is our unique competitive advantage*. [Manila] : Friends of Steady Eddie.

**Speech of President Ramos on the enactment of the amendment to Section 63 of R.A. 6657 (The CARP Law of 1998) Speech  
of  
His Excellency Fidel V. Ramos  
President of the Philippines  
On the enactment of the amendment to Section 63 of R.A. 6657 (The CARP Law of 1998) for the provision of  
an augmentation fund to further strengthen the Comprehensive Agrarian Reform Program and four other  
reform bills**

[Delivered at the Ceremonial Hall, Malacañang, February 23, 1998]

**Economic  
with social equity**

**growth**

SIX YEARS AGO, I campaigned on a platform based on the twin principles of people empowerment and global competitiveness. The rural poor who needed greater access to training, technology and productive resources were my priority focus.

That same desire for the empowerment of the Filipino farmers is shared by the Tenth Congress, which enacted R.A. 8532 to further strengthen our Comprehensive Agrarian Reform Program by increasing the Agrarian Reform Fund to P100 billion and converting it into a revolving fund to ensure the continuity of agrarian reform.

As we witness the signing into law of this significant piece of legislation, we highlight the expansion of our social reforms by way of four other landmark measures today. We have been resolute in our commitment to pursue agrarian reform in a fairer and faster manner.

The new law amends a basic provision of the Comprehensive Agrarian Reform Law, R. A. 6657. The original fund of P50 billion to cover the estimated cost of agrarian reform, to be sourced from the proceeds of the sale of Government assets, excluding whatever interests these amounts may earn from banks or the installments that farmer-beneficiaries remit to the Government in payment for their lands, has been increased to P100 billion.

**Doubling the Agrarian Reform Fund**

R.A. 8532 thus doubles the amount for the Agrarian Reform Fund and requires its use as a revolving fund, thereby allowing the farmers' payments for the land to become part of the fund to be further used for agrarian reform. Fund sourcing now includes 5 percent of the Government share from the Philippine Amusement and Gaming Corporation, the Coconut Levy Funds pertaining to the acquisition and distribution of coconut-planted lands, and incomes of enterprises rented out by the Assets Privatization Trust program. Furthermore, equitable sharing of the Agrarian Reform Fund has been ensured by the provision stipulating that legislative districts identified as predominantly agricultural shall have at least one agro-industrial complex to be built out of the Fund.

This law represents the commitment of the legislative and executive branches to social amelioration and economic equity for peasants and small farmers. This law also serves to strengthen our safety net for the agricultural sector as we strive harder to modernize agriculture in this period of transition as globalization inevitably ensues under the World Trade Organization.

If only to emphasize the totality of this Administration's commitment to comprehensive agrarian reform, I am pleased to inform Congress and our people that, in land reform, we have achieved in the last six years more than the combined achievements of the two past administrations.

Our Departments of Agrarian Reform and of Environment and Natural Resources have distributed to farmer-beneficiaries a combined total of 2.68 million hectares since 1992. In the last five and a half years, the Department of Agrarian Reform distributed 67 percent of the total parcels covered by land reform.

### **Congress's reformist spirit**

To protect the small farmers, the leasehold scheme on lands not yet covered by agrarian reform has been installed. There are 1.44 million hectares under leasehold, wherein a third of the total was done during the Ramos Administration. Our agrarian reform adjudicators have resolved 31,823 cases nationwide, and of this total, 93 percent was resolved during 1992-97.

Moreover, to ensure the effectivity of agrarian reform, we have provided for the delivery of adequate production support systems through our Agrarian Reform Community (ARC) program. To date, 921 ARCs, or an average of more than four ARCs for each congressional district, are benefiting 350,000 farmers.

At least six million agrarian reform beneficiaries have been waiting for the passage of this law. That long wait is over. Congress, in spite of the handful of doomsayers within its ranks, has once again displayed its reformist spirit, making it possible for the reinforcement of agrarian reform as the main instrument of peasant and farmer advancement by virtue of R.A. 8532.

### **Working harder for land reform**

But land reform will not work if we rely only on laws or on the initiatives of the executive branch. We therefore urge all farmer beneficiaries, especially the organizations that are with us today—Bukluran ng Malayang Magsasaka, Kalipunan ng Maliliit na Magniniyog ng Pilipinas, Demokratikong Kilusang Magbubukid ng Pilipinas, Malayang Magsasaka ng Candaba at San Luis, the Solidarity Group of the Peace Foundation, the Partnership of Agrarian Reform and Rural Development Services, Pambansang Kilusan ng Samahang Magsasaka, Agrarian Reform Beneficiaries Association and all other groups here—to work still harder so that agrarian reform will realize its potential as the primary means of farmer and peasant empowerment.

In our support for farmer empowerment, I would like to announce here the grant of full presidential pardon to *Ka Jaime Tadeo* of the Kilusan ng mga Magbubukid ng Pilipinas.

Today also, we sign into law R.A. 8533, 8534, 8535 and 8536, each one a tangible proof of the continuing commitment of Congress and your President to ensure social equity with economic growth.

R.A. 8533 brings social justice to married men and women who have suffered or may suffer from the psychological incapacity of their spouses and therefore wish to have their marriage annulled. An amendment to Article 39 of the Family Code, R. A. 8533, abolishes the prescriptive period for the annulment of marriages celebrated before August 3, 1988 which was when the Family Code was enacted.

### **A timely law**

Because of the prescription of ten years in the Family Code, our courts have been clogged with petitions for annulment, making it almost impossible for them to act on all these cases before the August 3rd deadline. With the removal of the prescription period, marriages solemnized before the effectivity of the Family Code may be annulled even after August of this year, provided that the psychological incapacity of one spouse is established.

R.A. 8534 acknowledges the practice of interior design in our country as a profession different from architecture and provides for the creation of a Board of Interior Design to administer examinations and issue certificates to qualified practitioners. This law is especially timely in view of the entry of foreign interior designers and consultants who are giving our more than 700 registered interior designers stiff competition for contracts here in our country and the forthcoming General Agreement on Trade in Services, which we will enter into.

The regulation of this profession as stipulated in this new law will also pave the way for the development of a more creative and more competitive group of Filipino interior designers who are aware of their professional obligations and are eager to promote their talents here and abroad.

We are proud to add one more highly urbanized city to the increasing number of growth centers in our country with the creation of the City of Novaliches under R.A. 8585. Now, we have 85 cities nationwide, 19 of which came into being under the Ramos Administration. To the people of Novaliches, the fastest-growing locality of northern Metro Manila, we offer our congratulations and best wishes for a brighter future.

Finally, we hope to save more lives and improve the delivery of health services to the people of the young and distant province of Apayao. Under R.A. 8536, the far North Luzon General Hospital in the municipality of Luna, Apayao, has been established.

### **Commendations**

The last few days of the Tenth Congress, which were devoted to special sessions, have proven most fruitful, in spite of the dire predictions of the usual critics who have again been proven wrong. Our legislators continued to perform their duty to enact or amend laws that ensure the continuity of our economic, political and social reforms. We offer our profuse thanks to the men and women of Congress, particularly to House Speaker Jose de Venecia and Senate President Neptali Gonzales, whose leadership and powers of persuasion in their chambers and in the bicameral conference committees were most valuable.

For the laws that we have signed today, I acknowledge the efforts of the authors, coauthors, sponsors, cosponsors and committee chairmen and members of both houses whose names we will individually read later. Let me also commend the men and women of the Department of Agrarian Reform under Secretary Ernesto Garilao, who is also the lead convener of our Social Reform Agenda, the Department of Environment and Natural Resources under Secretary Victor Ramos, the LandBank of the Philippines, the Land Registration Authority, and other Government agencies.

### **Acknowledgments**

We also acknowledge the help of local and international donor institutions to the Agrarian Reform Fund, the landowners who voluntarily turned over their landholdings to the program, and the farmers' organizations and non-Government organizations which have silently but effectively ensured the success of agrarian reform.

Lastly, I would like to make special mention of a group of dedicated men and women who have quietly shepherded all the bills, especially the crucial ones, through their various stages and have bravely borne the pressures from the Cabinet and from Congress relative to the fast-tracking of the laws passed since 1992.

Secretary Garilao said he needed a miracle for the approval of R.A. 8532. The tireless workers of the Presidential Legislative Liaison Office under Presidential Assistants Romulo Lumauig and Ching Montinola helped to make the miracle come true.

*Source:* **Presidential Museum and Library**

Ramos, F. V. (1998). *The continuity of freedom : a democratic and reformist society is our unique competitive advantage*. [Manila] : Friends of Steady Eddie.

**Speech of President Ramos on the enactment of the regulation for merchant marine officers' profession in the Philippines and five other reform bills**

**Speech  
of  
His Excellency Fidel V. Ramos  
President of the Philippines  
On the enactment of the regulation for merchant marine officers' profession in the Philippines and five other  
reform bills**

[Delivered at the Ceremonial Hall, Malacañang, February 24, 1998]

**Honoring our heroes**

OVER THE LAST FEW DAYS, the Tenth Congress has given the Filipino people a number of very important laws that will affect the lives of millions now and in the future.

Today, two nationally significant bills and four other bills that carry out national policy are signed into law to strengthen our sense of history and spirit of national unity, boost the quality of our human resources and improve public health.

**Empowering our seafarers**

R.A. 8544 amends Presidential Decree 97, or the Philippine Merchant Marine Officers' Law, to improve the preparation of Filipino merchant marine officers for overseas employment in accord with the Standards of Training Certification and Watchkeeping for Seafarers (STCWS) to which our country is a signatory. The STCWS drawn up in 1978 and amended in 1995 is the international convention that sets the minimum standards for safety in sea transport.

The significance of this timely amendment to our obsolete Merchant Marine Officers' Law is underlined by the fact that member-countries of the International Marine Organization (IMO) have only until August 1998 to comply with the requirements of the convention.

Had we not complied with STCWS '95, we would have jeopardized the jobs of more than 200,000 overseas Filipino seafarers who man about one-fourth of the world's merchant fleet. They would have been subjected to closer scrutiny by port authorities of countries that are members of the IMO.

But beyond losing the annual income of US\$1.9 billion, or a staggering P76 billion—which is what our overseas sailors infuse into our economy—we would also have lost the golden opportunity to continue proving the sterling abilities of Filipino maritime officers and workers, who are much in demand around the world.

**Manning capital of the world**

Even as it updates the training and other requirements for full-fledged merchant marine officers, R.A. 8544 upholds our country's distinction as the manning capital of the world. Making our standards accord with STCWS '95 enables our country to make it to the IMO "white list," thereby opening the world's growing maritime labor markets to our more than 200,000 seafarers in interisland waters, while assuring security of employment for the other 200,000 Filipino merchant mariners who sail the seven seas.

We therefore welcome R.A. 8544 with much gladness. Its passage was the fruit of the dedicated lobbying of the multisectoral task force on maritime development created in July 1997 by Executive Order 428. Besides making our merchant marine officers comparable with the best of the world, this law is ample proof that a fruitful and hard-working partnership between the private sector and Government always brings fast results.

### **Progress through education**

Another law that will affect the lives of millions of Filipinos of this and future generations is R.A. 8545, which amends the Government Assistance to Students and Teachers in Private Education (GASTPE) Act, or R.A. 6728.

Studies have indicated that despite the provisions in the GASTPE Law subsidizing the tuition and other fees of deserving students enrolled in private schools, the intentions of that law could not be fully realized, because of several constraints.

The most glaring of these constraints was the prescribed maximum income of parents whose children were allowed to avail themselves of the tuition supplement. The stipulated parents' income, at a maximum of P36,000, no longer applies in these times of adjusted rates. Thus, only very few students could qualify for educational support under R.A. 6728.

Moreover, some private schools were unwilling to accept vouchers as part of tuition payments due to frequent delays in the remittances of these payments.

Another problem that was not dealt with under the GASTPE Law was the retention of well-prepared teachers in private schools. The adjustments granted to public-school teachers over the past years had made it difficult for private schools to compete with public schools in hiring well-trained teachers.

R.A. 8545 corrects these deficiencies and contains additional provisions to increase the quality and quantity of private-school-educated students. For one, it creates the Fund for Assistance to Students and Teachers in Private Education to be administered by the newly created State Assistance Council.

### **Upholding unity, dignity and pride**

The Fund shall be used to provide tuition supplements for students whose parents earn not more than P72,000 annually; textbook assistance to high school students; education service contracting schemes engaging private schools in localities where there are no public high schools; educational loans for students; teacher-faculty salary subsidies, provided that the total monthly salary of the recipient shall not exceed P8,606; and assistance to college faculty development programs; and in-service training for high school faculty.

A special provision in this law gives priority to students and teachers in the identified 20 poorest provinces where our Social Reform Agenda must be made to operate with greater impact.

In keeping with our Constitution's mandate for the State to provide incentives to deserving students in both public and private schools, and this Administration's promise to speed up social reform especially through human resource development, we sign R. A. 8545 into law.

It is not only our human resources that we want to nurture. It is also our common goal to uphold Filipino unity, dignity and pride by commemorating the noble deeds and propagating the ideals of our heroes. To attain these goals, we hereby protect the sites of great events in our history, the mute witnesses to the sacrifices of our heroes in our struggle for nationhood.

One such site is Biak-na-Bato in San Miguel, Bulacan, where then-General Emilio Aguinaldo consolidated the Filipino forces and signed in August 1897 the pact which signaled the end of fighting in the first phase of the Revolution. Although it was not until a year later when Aguinaldo proclaimed our independence and became the first President of our Republic, the Pact of Biak-na-Bato will be forever remembered in our history as the first major instrument of peace in that protracted war for liberation.

### **Upgrading the quality of college education**

Biak-na-Bato is now declared a historic shrine and tourist spot through R.A. 8546. Under this law, the Department of Tourism and the Local Government officials of Bulacan are required to maintain the shrine, and to preserve the memory of the deeds of Emilio Aguinaldo and the rest of our phalanx of heroes. By this means, we encourage visits to this historic site and promote the patriotic fervor that made our forebears overcome tremendous difficulties in order to create the Filipino nation.

We also advance our Social Reform Agenda at the provincial/regional level with the upgrading of the Ilocos Sur Polytechnic College into a State college under R.A. 8547; and the upgrading of the Bulacan National Agricultural School into the Bulacan National Agricultural College by virtue of R.A. 8548.

This upgrading should bring the quality of education in these colleges to nationally accepted levels, and will no doubt improve the educational preparedness of the people of Ilocos Sur and Bulacan. These major steps for education in the provinces move us further toward our national goal of global competitiveness.

### **A new brand of heroism**

We also congratulate the people of Palawan for upgrading the Puerto Princesa Provincial Hospital into a 150-bed hospital to be called the Palawan Regional Hospital under R.A. 8549.

Today we again harvest a bumper crop of important legislative measures that improve Philippine competitiveness.

At the launching two days ago of several projects to commemorate the 12th anniversary of our People Power Revolution at EDSA, I called for a new brand of heroism, the kind to which ordinary Filipinos have the capability to respond. It is a heroism that does not demand one's blood or one's life, but only hard work and a steady commitment to our basic values of caring, sharing and daring that will benefit our country and our people.

The laws we sign today and all the other laws crafted by the Tenth Congress, whether applicable to the provincial, regional or national levels, are instruments of empowerment and opportunities for ordinary Filipinos to bring out the best in themselves. Such opportunities, when used well, will enable every Filipino to actualize the nobility within him or her by taking an active part in working for peace, safeguarding our freedom and sustaining our growth. I therefore call on every Filipino to avail himself or herself of the chances that our new laws offer, and to use these opportunities not merely to advance personal gain but to improve the commonweal.

*Source:* **Presidential Museum and Library**

Ramos, F. V. (1998). *The continuity of freedom : a democratic and reformist society is our unique competitive advantage*. [Manila] : Friends of Steady Eddie.



**Speech of President Ramos on the enactment of the Development, Management and Conservation Code for Fisheries and Aquatic Resources; the amendments for the reform and reorganization of the Philippine National Police, and three other reform bills**

**Speech  
of  
His Excellency Fidel V. Ramos  
President of the Philippines  
On the Enactment of the Development, Management and Conservation Code for Fisheries and Aquatic Resources; the amendments for the reform and reorganization of the Philippine National Police, and three other reform bills**

[Delivered at the Ceremonial Hall, Malacañang, Manila, February 25, 1998]

**Ensuring  
continuity of freedom**

**the**

AT THE CLOSE of the Tenth Congress, let us talk about freedom. It was freedom that our forefathers invoked as they endured great sacrifices in the revolution against Spain and in World War II. It is this same freedom that we begged the Almighty to give us when our people stood before tanks and guns at EDSA 12 years ago.

This very same freedom is what is ensured by the bills we sign into law today, as well as all the other laws that the Tenth Congress has passed. This is the freedom that ensures enduring peace, justice for the oppressed and equal opportunities for advancement for all.

When people are assured of food sufficiency and our fisherfolk are able to improve their lives by increasing their earnings, we help ensure freedom from want. When our fishermen are guaranteed that our waters are protected, that marine life is spared from environmental degradation and that fish poachers are kept away from our shores, there is freedom from fear.

Freedom to fulfill their potentials is the promise we give children who, deprived of their natural parents, can be properly put in the care of carefully chosen adoptive parents. And when provincial students are able to acquire a college education right in their home provinces, they enjoy freedom of choice and freedom to seek better lives. Efficient governance through equitable representation also secures freedom.

Indeed, the improvement of the quality of Filipino life, the insurance that our peace will endure, that justice will be fair and swift, that the disadvantaged sectors are given adequate opportunities for improvement, and that people can exercise their choices without fear are all manifestations of the high quality of our freedom.

We have today five more new laws to secure the freedom of our people by strengthening certain sectors so that by their work, they may fully contribute to the nation's growth.

**Fish sufficiency and food security**

Rice and fish being staple Filipino fare, it is our primary concern that (1) our fishery resources are secured to sustain the food needs of this and future generations of Filipinos and that (2) Filipinos are the priority beneficiaries of all activities geared toward the development of our fisheries and other aquatic resources.

Republic Act 8550, or the "The Fisheries Code of 1998," is the landmark law that will deal with these long-standing concerns. It is a comprehensive prescription of the direction that the nation's fisheries development must take. It is our primary weapon to avert the uncontrolled exploitation of our marine resources—particularly by non-Filipino fishermen who have been making frequent incursions into our waters—and the increasing degradation of our coastal waters.

### **Protection for small-scale fishermen**

This new law will ensure the rational and sustainable development, management and conservation of our marine resources, including the exclusive economic zone and adjacent high seas. Most important, R.A. 8550 provides continuing protection for small-scale fishermen, whose catch serves local needs, against large-scale fishermen who poach on municipal waters.

As defined in this law, municipal waters comprise the ten-kilometer stretch from the shoreline of a municipality and are the exclusive fishing ground of fishing boats of not more than three gross tons. Our small-scale fishermen are encouraged to band together into local fisherfolk organizations or cooperatives to which the municipality will grant fishing lease agreements.

Moreover, to ensure that our fishermen are informed of their rights as well as the techniques and processes in the proper development, management and conservation of marine resources, integrated fisheries and aquatic resources management councils will be established nationwide. From now on also, fishworkers are to be covered by the Labor Code and the Social Security System.

There is therefore no basis for some alarmist groups to fear that R.A. 8550 allows large-scale fishing boats to encroach on the fisherfolk's fishing grounds. The law clearly provides that the larger boats may fish only on waters beyond the ten-kilometer reserve of small fishermen, and only upon the grant by the concerned Local Government Unit of a permit to fish.

The assurance of sustainable development in fisheries lies in the granting of fishing license agreements.

Under this law, these agreements—which are issued only to Filipino citizens—are granted in accordance with the computed maximum sustainable yield of the fishing ground, with a bias for resource servicing communities of or adjacent to the municipal waters.

In coordination with the Local Government Units, the integrated fisheries and aquatic resources management councils are responsible not only for formulating regulatory policies and measures toward environmental protection and sustainable use of resources but also for assisting fisherfolk in postharvest and trading activities.

### **The goal is food sufficiency**

In addition, the Fisheries Code transforms the Bureau of Fisheries and Aquatic Resources of the Department of Agriculture into a line agency and creates the National Fisheries Research and Development Institute as the Bureau's research arm.

We expect these two agencies and the environment department as a whole to wield these new powers to improve the livelihood opportunities of small-scale fishermen and to attain our national goal of food sufficiency in the fisheries sector.

R.A. 8551, the Philippine National Police (PNP) Reform and Reorganization Act of 1998, is our people's assurance that our National Police can concentrate on enforcing the law and maintaining peace and order in our communities. It is a major step in the modernization of our police force. This new law returns to the Armed Forces of the Philippines (AFP) all counterinsurgency functions, except when the President of the Republic calls on the PNP to support the AFP in combat operations. Our policemen, however, shall continue their information-gathering activities in addition to their regular police functions.

### **Providing for closer community-police relations**

The National Police Commission, in performing its constitutionally mandated functions, is reorganized under R.A. 8551. To ensure the civilian character of our police force, the commission's board shall have three civilian members

besides the Secretary of the Department of the Interior and Local Government (who acts as chairman), the director general of the Philippine National Police and one law enforcer. In observance of all our laws toward gender sensitivity, this law ensures that at least one of the commissioners is a woman.

Gender sensitivity and closer coordination with civilians is the underlying reason for providing a woman's desk in all police stations and the strengthening of the People's Law Enforcement Board, which will receive citizens' complaints against PNP officers and members.

To provide for closer community-police relations, the mayor of every municipality or city is authorized to choose the chief of police from a shortlist submitted by the local peace and order council. Smooth relations between the citizens and the police force are promoted so that our policemen will not forget that community support is one of the five pillars of our criminal justice system.

Finally, to sustain the community's respect for our police force and boost the morale of our policemen, the retirement or separation benefits and the basic pay of National Policemen are increased. Uniformed PNP members are now to enjoy the same salary level as our public-school teachers and nurses, and those assigned in Metro Manila or chartered cities/first-class municipalities may be granted financial incentives by their Local Government units.

### **The other laws: continuity of reform**

Today also, we sign into law R.A. 8552 granting the child adopted by Filipinos the same rights and privileges enjoyed by a legitimate child born to the adopters. In keeping with all the international conventions on children that the Philippines has signed and as a complementary measure of R.A. 8043 regarding transracial adoption, this law specifies the procedures for adopting a Filipino below 18 years of age if offered for adoption or abandoned by his or her parents, and protects the rights of both adopted and adopter. It also allows foreign nationals who have resided in the country for at least three years to adopt a Filipino child.

R.A. 8553 pertains to the number of members of a Provincial Board and amends Section 41(B) of the Local Government Code (R.A. 7160). Under this new law, there must be ten Provincial Board members for first- and second-class provinces; eight members for third- and fourth-class provinces, and six members for fifth- and sixth-class provinces, plus an additional two members in provinces with more than five legislative districts.

This new arrangement rationalizes and democratizes representation in our provincial legislative assemblies and improves local government.

Finally, we are happy to add to our growing number of provincial colleges with the creation of the Carigara College of Fisheries in Carigara, Leyte, out of the Carigara School of Fisheries, under R.A. 8554. We hope that the province of Leyte will enjoy faster growth and take a leading role in fisheries development in our country through this new college.

The continuity of our reforms—political, economic, social, judicial—is the main guarantee that our freedom will be preserved and enhanced. Our next set of leaders must therefore ensure that the laws that have been crafted by the Tenth Congress—including the five laws signed today—are implemented properly and justly as befits a truly democratic society.

### **Fish be with you**

In signing R.A. 8550, or the Fisheries Code, I wish our people: "Fish be with you." This indicates my desire that every Filipino would enjoy an adequate supply of fish and other basic food nutrients in his diet. And as we sign these other bills into law, I wish Congress and the rest of our people "peace and progress be with us all." May we forever breathe the air of freedom and may peace and sustained development be the constant companions of the Filipino nation in the 21st century and beyond.

*Source:* **Presidential Museum and Library**

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**Speech of President Ramos on the enactment of amendments to the Official Development Assistance Law and eight other reform laws**

**Speech  
of  
His Excellency Fidel V. Ramos  
President of the Philippines  
On the enactment of amendments to the Official Development Assistance Law and eight other reform laws**

[Delivered at the Ceremonial Hall, Malacañang, Manila, February 26, 1998]

**Two  
Congresses**

**productive**

TODAY'S CEREMONY is a vital guidepost of whether or not we, this country's leaders, have lived up to the promises we made to improve our people's lives and enhance our reacquired freedom. This is as much a day to review what we have achieved over six years as it is a day to rejoice over the nine bills that will be signed into law.

The first of these new laws is R.A. 8555, which amends certain sections of R.A. 8182 covering the use of Official Development Assistance (ODA). The amendment will enable us to make the best use of concessional ODA loans by facilitating the processing by donor agencies of regular ODA loans and special quick-disbursing emergency loans that the country may avail itself of in times of regional financial difficulties.

R.A. 8555 repeals Section 4 of R.A. 8182, thus maintaining the constitutional power of Congress to appropriate peso proceeds of foreign loans while respecting the President's constitutional power to contract foreign loans with the concurrence of the Monetary Board.

As a matter of urgency, this law also facilitates the processing within this year of US\$2 billion worth of ODA financing for vital projects in power, transportation, water supply irrigation, education and health.

R.A. 8556 amends the old Financing Company Act (R.A. 5980) by redefining the character, rights and powers of financing companies, their regulation and minimum capitalization requirements. Recognizing the role of financing and leasing companies in giving people alternative forms of credit, R.A. 8556 protects borrowers from unscrupulous, inadequately capitalized operators, broadens and deepens our financial markets, and expands the powers of financing/leasing companies to strengthen their liquidity and their capability to service a more diverse range of clients.

**Strengthening our judicial system**

R.A. 8557 strengthens our judicial system by ensuring that members of the judiciary are adequately prepared for their tasks. It creates the Philippine Judicial Academy, which will formulate and implement a comprehensive program of judicial education for justices, judges, other court personnel and lawyers. The academy shall be staffed by a corps of professorial lecturers whose final screening will be done by the Supreme Court.

R.A. 8558 reduces the retirement age of underground mine workers from the present age of 60 as prescribed by the Labor Code to 50, for humanitarian reasons and in consideration of the peculiarities of underground mining. Retirement benefits for mine workers are also provided for in this law.

R.A. 8559 and 8560 regulate the practice of agricultural engineering and geodetic engineering, respectively. Stricter regulations for these professions are major steps in raising the quality of our licensed agricultural engineers and geodetic engineers to world standards.

**Raising the quality of our engineers**

Before graduates of agricultural engineering may be licensed, they are now required to pass the examinations to be conducted by the newly created Board of Agricultural Engineering. In the case of geodetic engineers, the old practice—of allowing surveying graduates and students who have completed the fourth year of civil engineering to take the geodetic board exams—will no longer be allowed. Only graduates of a Bachelor of Science degree in Geodetic Engineering will henceforth be qualified to take the geodetic board exams.

We are happy to announce here the upgrading of the Bataan Provincial Hospital, which, under R.A. 8561, is authorized to increase its bed capacity to 350 beds. Finally, we add two more staff colleges in our provinces to give our college students better options for quality tertiary education. R.A. 8562 creates the Bataan Polytechnic State College out of the Bataan Community Colleges in Balanga, Bataan. R.A. 8563 converts the Apayao Institute of Science and Technology and its extension high school into the Apayao State College in Conner, Apayao.

As we recap what the executive and legislative branches have done together—sometimes in critical collaboration but more often in synergistic partnership—we look to the quantity and quality of the laws that have been passed over the last five and a half years.

When we adopted the twin goals of people empowerment and global competitiveness as this Administration's strategies for sustainable growth and development, both the executive and legislative branches agreed that six critical aspects of national life must be strengthened through a set of strategic reforms in six major areas:

- 1) Our economy which needs clear-cut policies to enable this country to compete in the world.
- 2) Our electoral system, which has long tolerated a tradition of guns, goons and gold.
- 3) Law enforcement to fight criminality, corruption and terrorism, as well as the laxity of the justice system.
- 4) Preventing the perpetuation of poverty.
- 5) Promoting Filipino pride and self-confidence.
- 6) The effectivity and efficiency of governance, including the integrity of the bureaucracy.

### **Proud performance of two Congresses**

Has Congress been able to deal with these specific concerns? We can say with pride that the performance of the Ninth and Tenth Congresses exceeded our expectations.

A total of 228 laws of national application—including those approved today—have been enacted since July 1, 1992. I have signed 79 laws for economic reform; 85 laws for social reform and 64 laws for political and judicial reform.

With much pride, I can say that the Ninth and Tenth Congresses are so far the most productive of all Philippine Congresses in the reach and depth of the laws they have passed. I believe our lawmakers over these six years can confidently say they have improved the lives of all our people.

The social benefits and economic results of all these reform laws would be difficult to quantify. But the indicators are there—countryside development resulting from the economic growth we had experienced over the past five years, as registered in increased individual incomes, our gross national product, our gross domestic product, export earnings and investment inflows. Our economy has remained the least affected by the financial turmoil in East Asia.

### **Ensuring the continuity of democracy**

But who can measure the relief of the citizens whose anxieties were quelled by the Energy Crisis Act? Who can calculate the benefits from the various education and health reform laws? Who can quantify the hopes of our newly empowered cultural communities, beneficiaries of the Indigenous People Rights Act?

Who can count the number of lives spared by the cessation of hostilities brought about by the repeal of the Antisubversion Law? Who can argue against the new found aspirations of the disadvantaged sectors benefiting from the Poverty Alleviation Act, the Agricultural Modernization Law, the Fisheries Code, or the amendments to the Magna Carta for Small Enterprises and the Agrarian Reform Law?

We have said our policies should enhance our democratic way of life, should produce more choices which every Filipino will exercise in pursuit of a better, more dignified, more prosperous life.

The continuity of democracy, indeed, has been ensured. Our freedom is secured when we reform our economy to strengthen our comparative advantage in a highly competitive global order. Liberty is sustained when we increase the common man's opportunity to improve his life economically and socially, and assure him of the judicious and sustainable use of the nation's resources. Freedom is strengthened when we ensure lasting peace, when people feel safe anywhere in the country.

### **Not an empty boast**

We seek in our laws the enhancement of liberty through an improved quality of life. I am proud to say that all our 228 reform laws of national significance respond to this requirement.

In one of the bill-signing ceremonies in 1995, I vowed to our people that the best was yet to come—referring to the laws that Congress still had to draft in support of our economic, social, political and judicial reforms. I repeated this commitment in my State of the Nation address of that year as “the best is soon to come,” and despite the contrary views of my usual critics, many people agreed with me.

Looking back now and reviewing the tremendous output of the Ninth and the Tenth Congress, it was not an empty boast. In terms of the legislative means we needed to jump-start ourselves from being “Asia's sick man” to becoming “Asia's most improved player,” the best has come after less than six years.

I must add, however, that I am already counting on Congress to complete work on other vital laws before our terms end. These include the amendment to the ARMM Organic Act, the Antiracketeering Act, amendments to the Bases Conversion Development Authority Act and the Water Resources Development Act. In other words, more of the best is still coming.

These additional laws are urgently needed, not because their nonpassage is life-threatening, but because they are life-sustaining.

We had vowed to our people that we will give them the best—the best of our efforts, our energies and our mental abilities in crafting the most urgent, the most beneficial and the most providential of the policies and laws needed to equitably give our people a better economic, social and political environment with which they can improve their lives.

That pledge we have redeemed. The number and breadth of our laws manifest the political will of the executive and legislative branches. I can never adequately express my thanks to the men and women whose vision made this the most prolific Congress ever.

*Source:* **Presidential Museum and Library**

Ramos, F. V. (1998). *The continuity of freedom : a democratic and reformist society is our unique competitive advantage*. [Manila] : Friends of Steady Eddie.





**Speech of President Ramos at the 35th Annual Conference of the Philippine Economic Society (PES)**

**Speech  
of  
His Excellency Fidel V. Ramos  
President of the Philippines  
At the 35th Annual Conference of the Philippine Economic Society (PES)**

[Delivered at the Shangri-la EDSA Plaza, Mandaluyong City, Metro Manila, February 27, 1998]

**Sustaining  
in a time of crisis**

**growth**

SOME OF YOU will recall I first spoke before you on December 14, 1992—barely seven months after I became President. How quickly—and how dramatically—those five years now seem to have gone by! And I speak here not only of my own experience in the presidency, which for me has certainly been challenging and eventful, but more so of what this exciting period has meant for our society and our economy

These five years have been a period filled with change, with opportunity, with challenge—a time of growth, of learning, of our country's coming out of sick bay and claiming its rightful place in the community of nations.

We have been playing catch-up with the Asian tigers, which, one after the other, from the '60s onward, set records for economic development. But, starting within the first half of this decade, we were able to put in place key reforms in the macro-economic policy environment that steadily integrated the Philippines into the global economy. We undertook reforms in the structure of the economy itself—in agriculture, in industry, and in services—while also pushing a social reform agenda (SRA) to fight poverty and distribute the fruits of economic growth. Structural reforms revitalized private-sector initiatives and reduced Government intervention in business. Monopolies were dismantled. Export bans and price controls were lifted. We did away with regulations, subsidies and Government-dictated pricing issues, notably in the energy, banking, transportation and telecommunications sectors.

**A program of privatization**

We initiated a program of continuing privatization—using Build-Operate-Transfer schemes—in such diverse fields as water supply, electric power, highways, transport, telecommunications, and health services.

Investment-related reforms, marked by the passage of the Omnibus Investments Code, rationalized incentives, simplified and streamlined procedures for investment registration, and carried out a debt equity conversion scheme. The Foreign Investment Act increased allowable foreign equity participation in areas largely reserved for Filipinos.

Shorter-term investment priorities plans enabled the Board of Investments to concentrate its promotional efforts on selected activities. Government developed and promoted growth corridors and similar centers throughout the country—and built the infrastructure needed to get them going.

Tariff reforms reduced the overall level of protection and dispersed tariff protection to industries. An accompanying import liberalization program improved entry for numerous items. Quantitative restrictions were replaced with tariffs where continued protection was justified—principally for agricultural products—but with a schedule for their phasedown, toward a uniform rate of five percent by 2004.

Reforms in the financial sector encouraged greater competition and more efficient and effective savings mobilization. Regulations on foreign-exchange transactions were liberalized. Rules for the entry of foreign banks were liberalized. A more favorable environment for exporters was also set in place, with refinements in the duty exemption and drawback system, the enhancement of export finance, and support for the establishment of an exporters' bank.

## **Devolving authority to local governments**

Reforms in the public sector included several tax reform measures, among which was the expansion of value-added taxation. We rationalized or privatized Government-owned or controlled corporations, and streamlined the public investment program.

Substantial authority and resources had been transferred from the central to local governments by the 1991 Local Government Code. Policy consultations became a regular feature of policymaking, with more permanent advisory bodies like the Export Development Council actively soliciting regular inputs from the private sector.

A comprehensive Social Reform Agenda focused Government efforts on delivering basic services, agrarian reform, cooperatives development and support for small and medium enterprises to the communities that need them most.

## **Our improved economic performance**

These policy reforms brought the Philippines into the global economy. And globalization, in general, has been good to us. Over the period 1993-96, we were largely able to overcome the basic weaknesses that impeded our growth in the past and brought about persistent poverty.

Gross national product and gross domestic product, in real terms, recovered from stagnation in 1991 and peaked in 1996—with a real GNP growth of 6.9 percent and GDP growth of 5.7 percent. And in spite of the Asian financial turmoil, the economy continued to grow respectably throughout 1997.

All regions of the country have been contributing to overall growth, which has been fueled by the sustained increase in investments and merchandise exports. Our country's exports—led by nontraditional manufactures, semiconductors and electronics—have reached new heights and spread to new destinations. Last year, while exports slowed down in neighboring countries, our exports increased by 22 percent, for a total value of US\$25 billion.

Growth has brought tangible benefits to ordinary people in terms of jobs. Unemployment declined from 10.5 percent in 1991 to 8.6 percent in 1996, and to 7.7 percent in 1997.

Prudent monetary management—along with the structural reforms and investments in infrastructure—reduced inflation, which had reached double-digit levels in 1991. Inflation fell to single-digit levels starting early in 1996. We were able to stabilize the prices of food items in particular—inflation shrinking to an average 5.1% for 1997.

The incidence of poverty decline to 35.5 percent in 1994 (the latest year for which we have data available) from about 40 percent in 1991. And we should see further improvement in the 1997 data.

Perhaps, the best acknowledgment that policy reforms have been effective is the acceptance by the International Monetary Fund (IMF) that the country could exit from its 22nd economic program—after 34 years with the Fund—with the enactment of the oil deregulation amendments.

## **The Asian currency crisis**

Stanley Fischer, the First Deputy Managing Director of the IMF, noted that the Asian currency crisis “occurred after several decades of outstanding economic performance,” with high levels of growth in gross and individual domestic product, fueled by strong capital inflows and exports. He traces the roots of the crisis to three developments:

- The failure to dampen overheating pressures, manifested in large external deficits and property and stock-market bubbles;
- The maintenance of pegged exchange-rate regimes for too long, which encouraged external borrowing and led to excessive exposure to foreign-exchange risk; and

- Lax prudential rules and financial oversight which led to a sharp deterioration in the quality of loan portfolios.

To a significant extent, these current difficulties resulted from the earlier successes of the Asian tigers. The Philippines was carried along by the region's general drift, even though our economic fundamentals were better than most of our neighbors. The outstanding fact is that we did not perform badly at all—certainly not as badly as we might have, had our regime of reforms not been solidly in place.

### **The outlook for 1998**

International financial institutions and foreign experts remain confident about Philippine prospects. Current projections indicate a 3-to-4 percent real GNP growth in 1998, with inflation averaging about 8.0 percent and interest rates at about 17 percent. The growth rates are consistent with the Organization for Economic Cooperation and Development's forecast of 3.5 percent GNP growth for the Philippines in 1998, and the IMF forecast of 3.8 percent GDP growth. The Philippines has one of the highest growth forecasts among the Asian countries hit by the currency crisis.

Of course, it should be clear that we can no longer retreat from openness in our trade and investment policies and practices. As Peter Drucker noted, while drawing lessons for managers from trends in the world economy: "The one unambiguous lesson of the last 40 years is that increased participation in the world economy has become the key to domestic economic growth and prosperity."

But Drucker also noted that the most significant factor in the global economy—the massive and virtually instantaneous flows of money and of information—does not fit into any economic theory or policy framework we now have at our disposal.

### **Restoring confidence in the economy**

The first order of business is to restore confidence in the economy. This we must do with both word and deed—and not by marketing ads alone. Government must not interfere in setting the exchange rate. The bureaucracy must practice fiscal prudence. The cost of doing business should be brought down and consumer prices kept as low as possible. National savings must increase, and we must ensure that socially effective investments are undertaken.

We should start on restructuring the financial sector by bringing regulation and supervision up to international standards, and by increasing domestic competition and transparency.

We should keep encouraging our exports to become more competitive, which right now means relying more on the domestic economy for inputs. Similarly, we should encourage import substitutes. We should do all these while relying on the new price relationships engineered by the currency crisis, and provide the channels by which investments can be made—the availing of information, the access to financing and technology, the training of Filipinos in the appropriate skills.

Two and a half months from now, our people will take part in the primary political exercise that characterizes our democracy, insures the continuity of freedom of choice, and reassures every Filipino that his individual liberties are respected and preserved. Within the election period, our candidates will offer our people various interpretations of how our liberty can be nurtured by further improving our economic, social, and political life. Yet we must never forget that while the means they offer vary, the underpinning remains the same for all their alternatives—the continuity and preservation of our freedom.

### **Hope for the elections**

It is of primary importance that the Commission on Elections and its deputies, all candidates and political parties, and indeed, the entire electorate work together for honest, orderly and peaceful elections (H.O.P.E.), for only

through H.O.P.E. can we be assured that the sanctity of our people's choices is upheld. As President, this is my commitment to our people.

But when the dust shall have settled on the campaign trail, when our next leaders shall have been chosen, we should talk less about freedom and do more for it.

Over five years, we have been able to build an economy strong enough—and resilient enough—to withstand a regional crisis that has already brought some of our neighbors to their knees.

Over five years, we have been able to secure peace in the South—our most troubled region—and bring new hope to our disaffected countrymen—a peace that had eluded them for years and years.

Over five years, we have succeeded in re-energizing our people—infusing them with a renewed self-confidence they had *not* felt since we deposed the dictatorship at EDSA.

We pushed for social reform—reaching out to the poorest of our people—and bringing them into a widening circle of development.

We invited vigorous foreign participation in our economy—through astute economic diplomacy and through fair investment incentives.

In other words, we brought our people to where they should have been 30 years ago—had earlier administrations dared to embark on a genuine program of freeing up our people's talents and energies—of empowering them to act and to grow on their own behalf.

### **We must move on with reform**

We brought our people to the threshold of the 21st century—not only in terms of calendar time—but in terms of a genuine opportunity to realize, within their lifetimes—the benefits of being part of a fully modernized nation. This is of paramount importance to our youth who must, in their time, seize the opportunities and take the initiatives—instead of being tied up with the same struggles that we, their leaders, have undergone.

And this is why we must move on with reform—why we must ensure the transition of national leadership—from one proven performer to another.

We have proven the effectivity of the reform policies we have adopted over the past five and a half years. I repeat: the continuity of our economic, social, political and judicial reforms is our best guarantee that we can improve our lives even more, and that we can continue to breathe the air of freedom.

### **Preparing ourselves for the future**

And we should be more prepared for more of the externally-induced shocks that go with having an open economy. The most pressing threat is that China may have to devalue within this year or next. While it has been trying to be a good neighbor, the massive drop in the value of East Asian currencies will sooner or later affect China's export competitiveness. And we will be prepared.

Perhaps these are more in the nature of demands on the next President than promises from the one before you now. But I believe our country has no choice but to move forward on this path to open markets that we have started on—while providing safety nets for our disadvantaged sectors without pampering them with dole-outs and subsidies.

I trust that you will capably advise our next President at this time of crucial change. This is also why I have consistently advocated the continuity of our socioeconomic reforms, and the continuity of good governance as key components of our vision for a better future.

*Source:* **Presidential Museum and Library**

Ramos, F. V. (1998). *The continuity of freedom : a democratic and reformist society is our unique competitive advantage*. [Manila] : Friends of Steady Eddie.

**Speech of President Ramos at the Financial Seminar Plenary Session, April 7, 1998**

**Speech  
of  
His Excellency Fidel V. Ramos  
President of the Philippines  
At the Financial Seminar Plenary Session**

*[Delivered at the Waldorf-Astoria Hotel, New York City, April 7, 1998]*

**Coping with the  
Asian financial crisis**

NINE MONTHS AFTER the East Asian currency turmoil broke out, the global financial crisis it triggered seems to be leveling off. The world's stock markets are starting to soar once again. Even those of South Korea and Thailand have climbed out of the hole they were in last year—under new leaders willing to face up to the rigors of structural reform.

The economist Paul Krugman of the Massachusetts Institute of Technology declared in Manila last fortnight that he expects most of East Asia's battered economies to return to growth in three years' time. His Harvard colleague, Jeffrey Sachs, thinks East Asia is likely to re-emerge as the world's center of economic gravity in the early twenty-first century—regaining the lead it had lost to the West beginning in the early sixteenth century.

There can be no doubt the crisis will be resolved eventually. But we in the Philippines believe its resolution will be slower than its onslaught was. The pace of recovery will vary from country to country. And the first to recover will be those countries which remain resolutely committed to transparency in the conduct of business—allowing the market system to function freely—and generally depoliticizing the economy. There can be no backtracking from reforms that foster competition, efficiency and productivity.

This is our commitment in the Philippines—and it is a commitment that has enabled us to fare relatively better than the others. This afternoon, I propose to update you on how we are coping with the crisis—in political and economic terms.

The experts have been fairly unanimous in their predictions that the Philippines would be among the first East Asian economies to emerge from the crisis. Let me cite only the most recent of them: *The Economist's* survey of the East Asian economies of March 7:

Over the next few years, [the Philippines] could well enjoy the best performance of any Southeast Asian economy. Just like Thailand and Indonesia, it saw a huge inflow of short-term foreign capital. But as a late starter, the Philippines did not have the chance to overstretch itself as much as its neighbors. Its banking sector is also in better shape, with stricter regulations and accounting standards. Moreover, a decade of structural reform, involving deregulation, privatization, and liberalization of direct foreign investment, has greatly improved the country's longer-term growth prospects. So the downturn there is likely to be shallower than in the other Southeast Asian economies.

While the Philippines has not escaped the contagion, we have avoided its worst consequences. The peso has not fared as badly as some of the Asian currencies. Its depreciation rate is not too far from those of the Taiwan and Singapore dollars—which are among East Asia's strongest currencies. Our stock market fared better than its counterparts, and while interest rates rose because of the uncertainty, and our industries felt the financial squeeze, we experienced no wholesale closure of corporations and banks.

While some of our neighbors needed billions of dollars in financial bailouts from the International Monetary Fund (IMF), all we needed was to draw on the remaining tranche of U.S. \$330 million of our IMF exit program. This was

accomplished as scheduled last month after I had approved into law a comprehensive tax reform program and a bill deregulating the crucial oil industry.

Even in the middle of the Asian crisis, some of us could appreciate the irony of our country—once known as “The Sick Man of Southeast Asia”—getting out from under 35 years of IMF supervision while some of our neighbors are entering new rescue programs with the IMF.

Why has the Philippines been better prepared to weather the crisis than some of its neighboring “tiger” economies?

### **We have put our house in order**

Perhaps it is because we Filipinos—having lived longer with crisis—have become adept at dealing with it. While all other East Asian countries shrugged off the foreign-debt crisis of the 1980s, the Philippines, then under strongman rule, was dragged down by it. Effectively our country lost more than a decade of growth.

Since then, we have been taking the bitter medicine to get rid of protectionism, authoritarianism and crony capitalism. Meanwhile, our vigorous neighbors had one by one passed us by. Economic humiliation can indeed be a very effective rehabilitative therapy.

Since 1986—the year we Filipinos recovered our civil liberties by way of a peaceful People Power Revolution—we have been putting our house in order.

My first concern upon assuming the Presidency in 1992 was to deal with endemic instability by bringing three major armed dissident groups back into the political mainstream.

I offered peace with honor to our military rebels (who had mounted seven successive coups against my predecessor, Mrs. Corazón C. Aquino); initiated peace negotiations with Muslim separatists in the southern Philippines; proclaimed a general amnesty for the Communist guerrillas (the New People’s Army); and legalized the Communist Party, which had been banned for 50 years.

### **Economic reforms**

In the economy, we began by removing the barriers—erected since we won our independence from the U.S. in 1946—to foreign investment and multinational industry. Foreign exchange we made freely convertible; and we lifted restrictions on remittances of profits or capital. Our investment rules and procedures we liberalized and simplified. And we started reinvesting in human capital and infrastructure devastated by 20 years of economic crisis.

Most important of all, we began dismantling the monopolies and cartels—in telecommunications, electric power, banking, transportation, insurance and the cement industry—from which oligarchic families had drawn their political and economic power. And we opened our markets to competition by bringing down tariffs; lifting quantitative restrictions; and removing regulations that had stifled creativity and penalized export industries.

To oversee the financial system, we created an independent monetary authority—whose policy independence is guaranteed by the Philippine Constitution—and gave it an adequate level of reserves. We also set up an effective debt-management policy: our debt-service ratio is down from 37% of export earnings in 1990 to less than 11% at the end of 1997.

We set up a tighter banking supervision system capable of adding on new prudential banking rules as needs arose. And Government’s fiscal position we strengthened by trimming off the fat from the public sector through massive privatization and a flexible build-operate-transfer law. This policy helped produce fiscal surpluses for four straight years—from 1994 until 1997.

### **The open society as an aid to stability**

We set out to develop as a democracy. We went against the grain of the conventional wisdom in East Asia. It is true that authoritarian governments have brought unprecedented growth to some East Asian economies, but bitter experience has taught us Filipinos that we cannot safely dismantle our constitutional guarantees—even for the briefest period—because suspending these mechanisms makes public administration no more efficient but only more arbitrary.

From the beginning, we accepted that developing as a democracy meant Government's coping patiently with dissent, delays, filibusters and litigations. It meant that Government had to work double time to reconcile interest groups and political lobbies into a broad national consensus.

Early in 1993, we negotiated a coalition with the political opposition to depoliticize economic policymaking to a marked degree, by way of a Legislative-Executive Development Advisory Council created by law.

The intermediate centers of power in civil society—the business and labor sectors—non-Government organizations and people's organizations; the media, and even professional, academic and religious groups—were involved in public policymaking through social pacts and “Summit” meetings at which I myself often presided.

That public policy was made so publicly and subjected to sharp private scrutiny—in Congress and in the media—resulted in a transparency of governance. This transparency inhibited the kind of political entrepreneurship and crony capitalism that had flourished under the strongman Ferdinand Marcos.

This openness of Philippine society—which had at times seemed to hinder decisive governance—proved a blessing when the currency crunch came unexpectedly in July 1997.

When the crisis hit East Asia, the Philippines was better prepared for it than our neighbors. Their recent experience had consisted uniformly of decades of high growth. Our corporate sector—acutely aware of history's recent lessons—had cautiously balanced its risk portfolios. In most cases our bankers and entrepreneurs correctly imputed currency risks in their decisions. Although the “past due” ratio of our banks deteriorated from 3.7% in July 1997 to 4.4% in October, this ratio has remained among the lowest in the region.

### **A crisis of confidence produced by panic**

Our monetary authorities themselves had been forward-looking: they built up international reserves during the time capital inflows were high, so, during hard times, they had the option to draw from reserves.

Even our bank regulators have been circumspect. They had implemented a prudential rule that requires banks to maintain single-industry lending within 30% of their portfolios. These are in addition to single-borrower limits and restrictions on loans to bank directors, owners, stockholders and related interests.

Prudential rules like these—strictly enforced—kept our banks' exposure to the hazards of property development lending to about 15%, which is modest by East Asian standards.

Perhaps because the crisis began in countries which had been growing at the world's highest rates, the international community was slow in responding to it. Most players did not realize the turmoil was more than a cyclical downturn until last October's bloodbath—when even the stoutest international economies saw their stock markets collapsing by percentages reminiscent of the great depressions of the distant past.

Initially industrial-country analysts had shrugged off the turmoil as the result of misguided policies and imprudent investment decisions by developing countries—from whose economies foreign investors were now justifiably pulling out in droves.

But the currency turmoil cannot be dismissed as the product of rational reactions to investments going sour. It was a product of panic—driven by the primeval fear of the unknown. The currency turmoil resulted from a crisis of



confidence. Suddenly investors started disbelieving the facts and figures being released by governments. And even IMF programs meant to restore investor confidence were not working.

Investors wanted out—and pull out they did from all the East Asian countries—regardless of national fundamentals; and despite IMF programs and the efforts of individual governments to bring their economies back on track.

### **Staying afloat through the crisis**

I believe we have achieved our immediate objective of staying afloat through the crisis and avoiding deeper and more extensive damage to the Philippine economy. In recent weeks, foreign investment has started flowing back; the stock market has begun to recover; and interest rates are starting to ease.

Best of all we have avoided a systemic banking crisis. (In the aftermath of the crisis, only one major bank has closed.) Banks are working directly with their corporate clients to restructure loans and to reduce interest rates—to make debt-servicing easier for companies in the tough postcrisis environment.

The Central Bank has required banks to increase their capitalization in two rounds—to be completed by the end of this year. It has also set new rules on foreign-exchange transactions: for instance, banks must hold 30% liquid foreign-exchange assets to cover their foreign-exchange liabilities. And it has placed prudential limits on real-estate lending—at no more than 20% of any bank's loan portfolio.

### **Rebounding from the crisis**

Our problems are far from over: we may still get some unpleasant surprises. The regional situation still is fragile—particularly in Southeast Asia's largest country Indonesia. But I feel that the most recent trend of exchange rates generally reflects our improved circumstances.

Following recent rallies, the cumulative depreciations of the Malaysian ringgit and the peso have been contained at around 30%; that of the Thai baht to 35%; and that of the Korean won to about 41%. Only the Indonesian rupiah remains very weak—but the Jakarta Government and the IMF seem to have reached agreement on how to deal with that problem.

But surviving the currency crisis is not enough. We must move forward once again. This is why we have drawn up a revised economic program covering the next two critical years—to provide policy continuity through the change of administrations in June. As a precaution, we have asked the IMF to back up this two-year program—up to a total \$1.4 billion—if the need should arise.

We expect GNP growth to slow down to about 3-4% this year, before it picks up again moderately in 1999. Average inflation we intend to keep down to around 8%. We also expect a turnaround in the balance of payments which should enable us to rebuild our official reserves back to about \$12 billion.

Our urgent priority is to lower bank lending rates to dampen inflation and to lower the costs of funds to the corporate sectors. I have placed the whole of the national Government under an austerity program. We will also be carrying out a program to improve tax administration.

These measures taken together should ensure a P5.0 billion budget surplus for Government in 1998, thus minimizing its need to borrow. We have also just announced a comprehensive package of banking reforms—to remove any residual doubts about the soundness of our banking system.

### **Lessons to be learned**

Among other things, this package increases the minimum capitalization of banks yet again—by 20% to 60% of the prescribed end-1998 levels, in two equal rounds to be completed by December in the year 2000. And we are

enhancing bank transparency by compelling banks—starting this December—to publish quantitative information every quarter on their level of nonperforming loans and other risk assets.

Before I conclude, let me turn briefly to the lessons I think we can extract from the East Asian currency crisis.

The East Asian currency crisis came down swiftly, hit the region—and the world—hard, and lingered longer than anyone had expected. Now, as some sense and rationality return to our economies, we realize that this crisis is unlike anything the world economy has ever known. And it cannot be solved simply by each country's putting its own house in order.

Because all countries are now linked together irrevocably—not just by trade but by tidal flows of capital—the international monetary system must itself carry out some reforms. A new monetary order must be laid down.

*First*, we need more innovative approaches to regional financial crises as they emerge, in our increasingly interlinked, interdependent globe. The East Asian crisis was unprecedented in its scope, in its very nature and in the speed with which its contagion spread. Prescriptions and formulas that once worked may no longer be appropriate.

### **The multilateral institutions must heal themselves**

The multilateral institutions should develop quick-response mechanisms and new policy frameworks given the near-instantaneous flow of information and capital around the world, to suit new modes of crisis. They should be able to take the initiative quickly once a national crisis erupts—to contain it before it spreads to other economies.

*Second*, the industrialized countries, particularly the G-7 nations, must take part in bailout programs. After all, emerging economies provide growing markets for the advanced countries. Globalization means everyone has an interest in everyone else's continuing economic health.

*Third*, fund managers should begin to have a caring, sharing and daring attitude for the social consequences of their investments in poor countries—where political and social systems are still so fragile that economic crisis can break them.

*Fourth*, there is obviously a need for more transparency in the disclosure and sharing of economic information. Governments should agree to provide accurate data on their country's basic economic indicators and those that reflect the health of their banking sectors.

*Fifth*, but not the least, the crisis has also dramatized the need for more liberalization and deregulation of economies. No bureaucratic mechanism can allocate resources as efficiently as the free market does. Nor is there any mechanism as effective in fostering investment discipline and in rewarding creativity, intelligence and hard work.

In freeing the market, our object should not be merely to encourage the uninhibited pursuit of self-interest. The market system should be tempered by rules that enhance prudent financial management.

Market players tend to discount the risks when their hopes of profit are high. Prudential rules must restrain this tendency. And countries with modern financial systems may need to help transfer the appropriate technologies to the emerging economies. Every developing country will need a more effective way of supervising its banks if it is to succeed in using migratory capital flows to its advantage.

### **The Philippines is still your smart choice**

Now to sum up and conclude. Where people used to be too extravagant about East Asia's prospects, now they tend to be too pessimistic. I myself remain cautiously hopeful about regional prospects: classify me as an optimist who carries an umbrella. If the East Asian leaderships grasp the nettle of reform, I see no reason their countries cannot become even stronger than before.

And it is plain what reforms are necessary. Markets must be freed from political and bureaucratic interventionism. Political corruption and cronyism must end. There must be more transparency in the conduct of business—by adopting higher standards of accounting and accountability, due diligence and trustworthy legal systems.

I expect future Southeast Asian growth—when it restarts in two to three years—to be slightly lower (5-6%) than it has been these past 10 years (7-8%). But it should also be better-balanced, and therefore more sustainable (but still at rates twice as fast as the average of mature economies).

This year and over the next two years, the Philippines—even at its lowest possible growth rate—should still grow at more than twice the level of East Asia's tiger economies (some of which are in recession). Our merchandise exports continue to grow consistently. Over the first two months of 1998, exports rose by 24% over those of the same period last year.

Whoever wins the presidential elections in May, I am confident the country will stay the course of economic reform and liberalization. We of the Philippines accept and implement globalization as a fact of contemporary life.

Indeed the peaceful transition I am pledged to oversee in June should give the Philippine economy a new impetus—by enhancing its underlying political stability. And when you consider, in addition, the reservoir of goodwill in my country for America—and Americans—then you will agree the Philippines still is the smartest choice for your investments.

*Source:* **Presidential Museum and Library**

**Speech of President Fidel V. Ramos upon Acceptance of Honorary Doctorate from Georgetown University on the Second Distinguished Speaker Lectures on Southeast Asia, April 8, 1998**

**Speech  
of  
His Excellency Fidel V. Ramos  
President of the Philippines  
Upon Acceptance of Honorary Doctorate from Georgetown University on the Second Distinguished Speaker  
Lectures on Southeast Asia**

*[Delivered in Georgetown University, Washington D.C., April 8, 1998]*

**The transpacific future**

IT WOULD PROBABLY SURPRISE you if I said that if it were not for the Philippines, it is very likely the United States would not be quite the country it is today.

Indeed, among the countries in Southeast Asia, the Philippines has the longest and closest associations with the United States. No other country has run the whole course from conflict, through colonialism and dependency, and finally to equality and sovereign partnership with the United States as has the Philippines.

One hundred years ago, in May 1898, Commodore George Dewey sank the Spanish fleet in Manila Bay, winning the initial victory in a string of triumphs in the “splendid little war” as one contemporary pundit described America’s fight with Spain.

While the original quarrel may have been with Spain, it was the Philippines that American troops occupied as the first and only outpost in American’s formal colonial empire in East Asia, or, as it used to be called, the Far East.

Of course, “benevolent assimilation” proclamations to the contrary, the Filipinos took exception to this arrangement. In the first place, they had not been consulted about the transfer of their real estate. In the second place, they had already declared themselves independent of Spain, and the centennial of that declaration of freedom we are celebrating this year.

The ensuing Filipino-American War was neither splendid nor little. Much was lost, especially by the Filipinos, who fought with the bitter tenacity and patriotism of all people who defend their native soil.

That war which American history books erroneously label the Philippine Insurrection, was also hard on the American conscience. If you look through the writings of that period, you will see how America debated with itself on the rights and wrongs of colonial conquest. It is to the credit of the United States that there were many Americans in high positions as well as common folk who opposed such brutal annexation.

**The Philippine-U.S. relationship in the past**

It is also to the credit of this country that its colonial policy had sufficient humanity and common sense to eventually win over the whole-hearted cooperation of the Filipino people whose leaders came to realize after four years of bloody fighting that national independence could be pursued in peace and friendship with the Americans.

This may be an old story today, but it is how the United States began to have a presence in East Asia, a presence that has survived to this very moment, despite the rivalries of other powers, the cataclysm of world war, the triumph of decolonization and the conflicts of the Cold War.

That presence has been maintained to protect the vital interests of the United States—interests that have grown and changed as East Asia itself has grown and changed. Today, these require that the United States not simply to be engaged with East Asia, but to be a full contributing partner and big player in the transpacific future.

Once the bitterness of their initial conflict had subsided, the Filipinos avidly accepted all that America had to offer. Hundreds of thousands of Filipinos went to work and study in the United States and thousands of Americans came to live, build and teach in the Philippines.

This friendly exchange opened our minds to one another. It shaped two generations of Filipino-American interaction. It facilitated mutual understanding to such an extent that the average American can today get along easier with Filipinos than perhaps with any other East Asian people. In short, we can, and often do, speak the same words and understand each other's body language.

### **Self-rule under American guidance**

During the period of U.S. colonial rule, American political, legal and social forms and norms were imported wholesale. Though the Filipino had been exposed earlier to European liberal democracy, it was the American variant that took strong root, which is why we have a presidential and not a parliamentary system of government.

It was the experience of autonomous self-rule under American guidance that made the Filipinos such staunch allies of the United States. Indeed, Filipinos were among the few subject East Asians who gallantly fought alongside their colonial sovereign during World War II, and then carried on through protracted guerrilla warfare after the fall of Bataan and Corregidor in defense of democracy.

It helped that, in 1935, the Philippines had already been promised independence from the United States after a 10-year transition period as a commonwealth. Filipinos were not about to risk losing their independence for a second time in exchange for the Japanese option of a "Greater East Asia Co-Prosperity Sphere."

Subsequently, during the long struggle of the Cold War, the Philippines again played its role as part of the free world in the Korea and Indochina conflicts.

These were the years of what were once called the "special relations" of the Philippines and the United States. Nowadays, the phrase may sound quaint, but I, for one, will always remember its deeper meaning as a unique bond forged between two peoples.

In the eighties, our "special relations" ran into trouble.

Because of the Cold War, American priorities in the Philippines came to be fixed more than ever on the military bases at Subic and Clark, which constituted a major pillar of America's forward deployment strategy of those days. But they were also perceived as an increasingly burdensome encroachment on Philippine sovereignty by a growing number of Filipinos.

As the years went by, and as Washington seemed to support a dictatorship in the Philippines only for the sake of preserving access to these bases, many Filipinos began to question the value of a relationship which in their minds had become dominated by the military nexus.

### **Culture of dependence**

Although I, myself, as Secretary of National Defense from 1988 to 1991, had supported a short-term extension of the military bases agreement, it now seems fair to say, in hindsight, that while the bases contributed to East Asian stability and the containment of communism, they also engendered and reinforced a culture of dependence by the Philippines on the United States that was not healthy.

In the end, Washington forsook the 14-year-old dictatorship in the Philippines, and supported the consolidation of Philippine democracy that was restored by the bloodless People Power Revolution of 1986. By then, however, too much time had passed. In September 1991 the attempt to renew the bases agreement failed to get approval in the Philippine Senate, and the rest is history.

In hindsight, again, we can say now that the nonrenewal of these bases had the salutary effect of establishing healthier relations between our two countries. It was also timely, because the Cold War had ended, and East Asia had entered a new era where all relationships had to be reevaluated and reengineered.

### **Asian miracle or Asian meltdown?**

In the light of today's headlines about the East Asian financial crisis, it may be difficult to even remember that there was an Asian economic miracle before the threatened economic meltdown began.

Let us remember that most East Asian nations moved into the second half of the 20th century either as colonial dependencies or as economically backward states, often seething with internal political instability.

The sixties and seventies were grim. Gunnar Myrdal's book *Asian Drama*, which came out at that time, spoke of intractable Asian poverty. America's strategists warned of falling Asian dominoes. Southeast Asia, in particular, was called the "Cockpit of the Great Powers," and its nations seemed impotent in the face of the most cynical external manipulation. The weakness of the region at that time was an appalling humiliation for its peoples.

The dominoes did not fall, however. Instead, they became economic dynamos. In less than a generation, East Asia gained spectacular increases in income, significant improvements in living conditions, and solid gains in technological and industrial development.

So let us set the record straight. East Asia has lifted more people out of absolute poverty resulting either from the devastation of war or from the oppression of colonizers or from both, in a shorter period of time than any other region in the last half-century. There were many mistakes made and accumulated over time that triggered the financial crisis in East Asia. But there were also many decisions correctly taken and reform policies properly implemented. If this were not the case, then East Asia could easily have become another war-ridden backwater.

The nations of the region have played the game of "catch-up" with the industrialized West with skill and pluck. They have covered a phenomenal stretch of ground. If some have faltered in this last mile, I assure you that they have lost neither the guts, the muscle nor the willpower to pick themselves up and get back into the race.

It is equally important to remember that although it was the East Asians who did the hard work, their work would not have produced such admirable results without the United States. In many ways, the Asian miracle is America's godchild.

### **The Philippine experience**

The United States provided the security umbrella that underpinned regional stability at a time when threats to that stability were very real. The U.S. market absorbed mountains of Asian imports, in effect guaranteeing the success of the region's strategy of export-led growth. Americans can take pride in what the U.S. has done in East Asia, and they should therefore support the region's own effort to preserve the gains their country helped to make possible. The return of democracy with the administration of President Corazon Aquino was cause for rejoicing in my country and for democracy advocates everywhere but it did not alone guarantee a stable future, much less sustainable development.

President Aquino had to stand against seven coup attempts. Under her leadership, it fell to me, first as Armed Forces Chief of Staff, and later as Secretary of National Defense, to lead our armed services, with the support of the people, to defend our newly won freedoms.

## **Structural reforms**

When I came to the Presidency in June 1992, the Philippines was already plunged in the darkness of a power shortage. The Philippines' participation in East Asia's rise was late. The political upheavals after 1986 scared off the investment money that flowed into our neighboring economies.

Yet, within six years, we managed to turn the corner.

Structural reform has strengthened our competitiveness. Deregulation, privatization and decentralization have unleashed our economy's productive powers and the energies of our 71 million people. Incomes have risen, jobs have grown in number and quality, and opportunities for the ordinary citizen have increased. From being seen as the "Sick Man of Asia," the Philippines is now the newest tiger on the block.

Despite the tough end of 1997, marked by the fall in the peso and in the Philippine stock market, real economic growth was still at 5.8%, well ahead of most of our neighbors. This was largely because we had adopted and implemented sweeping reforms long before the financial shockwaves hit us.

At a time when others in the region are seeking International Monetary Fund (IMF) assistance, the Philippines exited on March 27th from its 35 years of IMF tutelage covering 22 successive programs.

I am confident that the fundamentals will prove the durability of the Philippine economic growth with accompanying social equity.

As *The Economist* survey of Southeast Asia on March 7 puts it: "Over the next few years [the Philippines] could well enjoy the best performance of any Southeast Asian economy."

Our greatest source of pride is that we achieved all this without sacrificing any part of our democratic freedoms. The Philippine model of democracy with development is working—and working well. Those who say they support democracy and the free-market system can now point to the Philippines as an example of political and economic development making simultaneous progress for the good of the people under the trying conditions of the Asian economic crisis.

## **Reform is the order of the day**

But now is not the time for self-praise, neither for odious comparisons.

No one in the region is under the illusion that it's still business as usual.

Economic reform is the order of the day in East Asia. The region's finance and banking sectors, in particular, need to be upgraded and modernized according to international standards.

After the dramatic growth of nearly two decades, the region must now take stock, consolidate, prepare for renewed competition, and do the policy reforms needed to attain the next level of development. As always painful adjustment will be necessary and if adjustment is postponed the pain will only become greater. Global cooperation, more than ever before, is called for under the new regime of economic interdependence.

At the same time, reform has to be humane if it is to win lasting support from the people. Safety nets are essential, as are improvements in social development and in education to reinforce the ability of our young people to manage and lead national transformation.

In doing so, they will pursue policies compatible with our specific historical experiences, social norms, cultural values and a shared vision for the future. Contrary to what some may say, Asian values are not antithetical to the

concept of the free markets, or transparency, or accountability, or deregulation, or privatization. Nor does East Asia have a monopoly of thrift and diligence.

What is certain is that Asians will continue to attach great importance to those factors of proven value, namely, the family, the community and social cohesion.

### **The age of interdependence**

The drive for reform in East Asia is not a zero-sum game. It must be seen as part of the bigger picture of deepening transpacific interdependence, a quality of interdependence that calls for win-win solutions in an atmosphere of both competition and cooperation.

Thirty-five years ago, on the fourth of July 1962, John F. Kennedy chose Philadelphia, the cradle of American independence, to issue a Declaration of Interdependence with the countries that were creating Europe's Common Market.

Speaking today, at this great center of U.S. education, in the American capital city, I invite the United States and Asian leaders to join with my country in defining the elements of transpacific interdependence.

Our interdependence is premised, in the first place, on comprehensiveness. Economic, political development and security cooperation have all become legitimate and essential areas for joint endeavor.

Our interdependence must address the Asia-Pacific region's kaleidoscopic diversity. It must be nurtured and encouraged, so that its force will impart a genuine sense of community to the socialist and capitalist economies, the Pacific island states and continental nations and the peoples of many faiths, races, languages and customs that make up our region.

### **Cooperation in ASEAN**

Interdependence must therefore be as inclusive as possible. The divisions of the past are now meaningless. Old enemies of the Cold War now sit together to define the regional agenda for East Asia. There is no longer any reason to lock out any one.

The nations of Southeast Asia started down this road more than thirty years ago with our regional community, the Association of Southeast Asian Nations, or ASEAN for short.

Cooperation in ASEAN began with modest endeavors in the social, cultural and technical fields among its five original members. Today, ASEAN encompasses nine countries of Southeast Asia, including some former Cold War rivals. When the tenth nation, Cambodia, is finally able to join, hopefully before the end of the year, this will complete the vision of "Southeast Asian Ten" as a nascent regional community.

ASEAN has also established dialogue partnerships with ten external powers that have vital interests in Southeast Asia—Australia, Canada, China, the European Union, India, Japan, Korea, New Zealand, Russia and the United States.

Engaging so many of these powers, separately and together, in order to promote regional dialogue and cooperation is a diplomatic triumph for ASEAN and a vindication of its role as a stabilizing factor in the Asia-Pacific.

Beyond ASEAN, there is the Asia-Pacific Economic Cooperation, or APEC, forum.

APEC is a major mechanism through which we hope to translate our deepening regional interdependence into collective action to expand regional free trade and investment and to intensify regional economic and technical cooperation.



## **Economic success and political change**

The policies of reform will eventually call for the politics of change.

Political practices still vary greatly in a region governed for so long by authoritarian means. The countries of the region are thus moving toward greater citizen participation in consultation and decision-making in different ways. But one aspect has been central to East Asia's progress, and that is the regionwide emergence of market-oriented economics.

Yet, in the long run, change is inevitable.

The middle classes are growing in number and purchasing power in East Asia. Liberal and free-market thinking is replacing the old closed-shop mentality. Nationalism now has a wider vista and is no longer suspicious of foreign trade and investment. The global media are shining their hard bright light throughout the region, broadening the scope of individual action while constraining the exercise of arbitrary power.

A feeling is in the air that it's no longer wise just to tinker with the economy arbitrarily.

Many are coming around to the view that a second generation of reforms is necessary—this time focused on good governance and not simply on prudent macroeconomic management.

In this process of evolution, it is important to respect the diverse national methods of political change being undertaken by our Asian partners. This is part of building the bonds of regional community. We Filipinos are confident this process will lead to the expansion of freedom in Asia. We will be working steadfastly toward that end.

The most dramatic illustration is China, whose economy has surged since Deng Xiaoping introduced market economics nearly twenty years ago. Nonetheless, China still has some way to go to arrive at a milder form of central government control. But let us understand the key point: the evolution toward participative politics will continue, with fits and starts to be sure, but in an increasingly beneficent direction—unless we cut off contact with China. That must not happen.

## **Defining Japan's future course**

Japan is defining its future course after leading the way to economic modernization in East Asia. We congratulate Prime Minister Ryutaro Hashimoto for his decision to support important internal reforms that would shift political power from the bureaucracy to elected officials. It is hoped these changes will enhance Japan's capacity to absorb more imports from and increase investments in East Asia.

In Korea, acute economic problems are being gradually brought to heel, and the new President Kim Dae Jung, has the credibility and toughness to lead his people at this difficult juncture to preserve the democracy and development they have already attained.

In Indonesia, our giant neighbor, much is expected out of courageous reform. This is a trying time for the Indonesian people, and it is only right that the international community should band together to alleviate their plight. Yet, I have no doubt that with their famed patience and resilience our Indonesian friends, too, will pull through.

One area where regional consultation has moved ahead is regional security cooperation.

East Asia has a number of potential trouble spots.

The most serious is the Korean Peninsula, where the challenge of economic reform in the South runs parallel to the uncertainties caused by famine and holdout Stalinism in the North. American leadership helped bring about the two

most important peace initiatives for Korea—the Four-Party Talks and the Korean Peninsula Energy Development Organization. These two initiatives must be kept on track.

Tension on the Taiwan Straits, dramatically heightened by the Chinese missile exercises of 1996, will remain a major concern. Talks between the two sides need to be sustained.

### **Regional security**

The most complicated potential trouble spot is the South China Sea. The littoral states there, including the Philippines and China, have conflicting territorial claims on that sea, which is also vital to Japan, Korea, Russia, the United States and other maritime powers that use its sea-lanes. In addition, marine resources of the South China Sea, particularly fisheries and offshore oil and gas, are at stake.

Fortunately, the problems of the South China Sea have been contained through both bilateral and multilateral dialogue. The Philippines, for example, has concluded codes of conduct with China and Vietnam to avoid conflict where their South China Sea claims overlap.

Again, ASEAN made an important contribution by spearheading the formation of the ASEAN Regional Forum, or ARF. ARF is a unique body, being the only regional forum where all the key players can meet, face to face, for open discussions, which add significantly to mutual trust and confidence building in a region which was the site of hot and cold conflict only a short while ago.

### **The road ahead**

The Philippines and the United States are on the threshold of the second century of their relations. In this postbases phase of their bilateral relationship, Filipinos and Americans are freer to experiment in their approach to future cooperation. The fundamentals of that cooperation, moreover, are becoming clear.

First the Philippines and the United States have a primordial interest to see stronger growth returning to East Asia as soon as possible.

More than half of Philippine trade and investment is linked to Asia. For the United States, the region absorbs some 30 percent of its exports. America's transpacific trade is now larger than its trade across the Atlantic. Total cumulative American investment in East Asia is about \$100 billion.

The recovery of East Asian countries is critical for our own well-being. Toward this end, we will support a continuing positive role for the IMF, even as we seek reforms to make the IMF more responsive to new global economic realities.

Second, from a longer-term viewpoint, the economic future of the Philippines and the United States is becoming more intertwined than ever before with the region.

East Asia still has the young populations, the growing consumer markets, the productive capacity and the demand for development funding that must eventually bring global capital and commerce back to the region. The future, therefore, requires that we move ahead to anticipate and manage problems that might unsettle the regional economy again. For this purpose, the greatest possible use should be made of the APEC process.

Most pressing at this stage is the need to ensure that the major economies—especially the United States, Japan and the other G-7 countries—continue absorbing the imports from the region's developing nations and continue encouraging the flow of investment capital into the region.

What we do not need is a protectionist backlash.

### **Aiming for a Pax Pacifica**

Third, in the security arena, the Philippines and the United States remain allies, bound by a mutual defense treaty. We recently signed a new Philippines-United States Visiting Forces Agreement, which should bolster our traditional defense cooperation. The Philippines and, in fact, the rest of the region, fully support a continuing U.S. security presence in East Asia. This means that though we no longer allow bases, we must nonetheless facilitate an active, forward strategy for the United States.

Fourth and finally, alongside our bilateral defense arrangements, we must also shape the post-Cold War security environment of the region with the full participation of all the region's countries, including China. The Philippines heartily welcomes the recent improvement of Sino-American relations. We laud President Clinton for his leadership in engaging China, and, indeed, in being the architect of America's new East Asia policy.

In closing, let me observe that what we should aim for in the future is not a Pax Americana, but a Pax Pacifica, where regional peace, stability, progress, prosperity and modernization are viewed properly as community responsibilities and not as the chance outcome of a balance of power.

*Source:* **Presidential Museum and Library**

**Speech of President Ramos at the Labor Day Celebration with the Labor Groups, May 1, 1998**

**Speech  
of  
His Excellency Fidel V. Ramos  
President of the Philippines  
At the Labor Day Celebration with the Labor Groups**

*[Delivered at the Ang Bahay ng Alumni, U. P. Diliman, Quezon City, May 1, 1998]*

**Homage  
Filipino worker**

**to**

**the**

WHILE WE have been preparing to celebrate the centennial of our nationhood, we also have just recently graduated from the country's 22nd economic program under the International Monetary Fund (IMF). For the first time in 35 years, we are celebrating Labor Day and Independence Day free from IMF tutelage.

Ten days from now, Filipinos will take part in the country's last general election to be held in this century. Our electorate will exercise its sovereign will in accordance with the democratic ideals and traditions we have sought to preserve in the last one hundred years.

On June 30 a new president, a new Congress and a new set of local officials will take over the reins of government throughout the archipelago. They will assume the awesome responsibility of leading the Filipino nation into the next millennium.

What will happen at the end of my term is one of the true and enduring gifts of democracy—the peaceful turnover of power between duly elected leaders and representatives of our people, the concrete expression of our political renewal. The real meaning of independence is not realized without political and economic empowerment. This is the vision of our heroes such as Dr. Jose Rizal, Gat Andres Bonifacio and General Emilio Aguinaldo one hundred years ago, and those who carried their ideals thereafter.

During this centennial year, we pay homage to the Filipinos of earlier generations whose labors and sacrifices brought us to where we are now. Today, we pay homage to the free Filipino worker.

**The twin threats to our gains**

The six years of the Ramos Administration have brought our people to the threshold of the next millennium—not only in terms of calendar time but also in terms of a genuine opportunity to realize within their lifetimes the benefits of being part of a truly modernized nation. Yet, in these closing years of this century, we find ourselves facing challenges that threaten to erode the gains we have made.

The financial storm sweeping across Asia for the last ten months has resulted in an economic downspin for some of our neighbors and slowed down our growth. An important backbone of the economy, the agricultural sector, has started to suffer from the consequences of the El Niño phenomenon. This will adversely affect not only our macro-economic targets and the livelihood of our fellow Filipinos dependent on agriculture but, more important, the food security and social cohesion of our nation.

Like the proverbial bamboo, however, that bends with the wind, we are once again proving our resilience in times of adversity.

Investments into the country remain robust. The economy continues to generate jobs, particularly in the manufacturing sector. In spite of the projected negative growth rates for some of our neighbors in 1998 and 1999, our economy is still expected to grow by at least 3 percent for this year.

The estimated 60,000 jobs lost in 1997 were offset by the 300,000 jobs generated during the year. In spite of the job losses in the first quarter of 1998, there has been no net loss in employment generation during the past 10-month period since July 1997. In January and February alone, 32,000 jobs were created in the 80 economic zones across the country.

Today, I will be inaugurating the Ninoy Aquino International Airport (NAIA) II, the Philippines' new window to the world. In its full operation, the new terminal is expected to generate 10,000 jobs.

Neither have we wasted any effort in confronting the El Niño situation. We have rechanneled resources to the most affected sectors, particularly in Mindanao, to ensure their food security.

### **Mitigating the consequences of displacement**

We are also acting swiftly to set in place mechanisms that will mitigate the social consequences of displacement.

We are launching today the exchange network of the Department of Labor and Employment, an important part of the support system to correct fluctuations in the labor market, particularly during volatile periods.

On the recommendations of the Social Security System (SSS) as confirmed by the Employees' Compensation Commission, I have just approved a P200-million, low-interest emergency loan program to assist workers in the private sector who were separated from their employment as a result of the currency crisis.

I am also approving today, as proposed by SSS Resolution 266-S 98, the increase in the minimum monthly pension of retirement, death and disability pensioners as of May 23, 1997, from P1,500 to P2,400 for those with at least 20 credited years of service.

I have also been informed that the labor department is now implementing a comprehensive assistance package for the training and retraining of displaced workers.

The many things we have done together in the last six years give me reason to believe in the Filipinos' capacity to overcome the odds. I am confident, therefore, that we will weather these threats to our gains with the same pride, dignity and courage that are part of our heroic legacy.

### **Empowering the labor sector**

I started my term in 1992 advocating people empowerment and global competitiveness to realize our vision of "Philippines 2000."

A nation may be independent but if its diverse sectors have no unity and social cohesion, it cannot become fully empowered. Through our Social Reform Agenda (SRA), we have struck hard at the roots of our economic decline and social conflict. We made the eradication of poverty and the narrowing of the gap between the haves and the have-nots the centerpiece of our development efforts.

We have, in fact, institutionalized the SRA with the recent passage of the Social Reform and Poverty Alleviation Act, which also created the National Antipoverty Commission. This ensures that all sectors, including the workers, will equally enjoy the legal protection and support appropriate to their status.

We have reached out to the poorest of our people—and brought them into the widening circle of development.

At no time in our history had the private sector, particularly labor, been given as much participation in policy- and decision-making processes. Labor representatives are everywhere in democratic public government, from the halls of Congress to the boards of Government corporations to the less formal mechanisms of tripartite and multisectoral consultations.

We now see labor and other non-Government organizations seeking to institutionalize their participation in the political mainstream by running for representation under the party-list system.

### **Legislative reforms in labor relations**

In our partnership with Congress, we have progressively sought to create—through the formulation or passage of critical policies, programs and laws—an enabling environment which optimizes not only workers' protection but also employment opportunities and access to social benefits.

We formulated in 1995 a Comprehensive Employment Strategy Program (CESP) which aims to provide support and encouragement not only to formal employment but also to informal, livelihood and entrepreneurship arrangements. The CESP is the most important blueprint for employment planning since the Ranis Report of 1974 .

We have enacted a Migrant Workers Law which not only protects overseas Filipino workers but also provides for the management of migration flows, considering that human resources have become an internationally shared resource under a global economy.

The resilience of the Filipino is best exemplified today by our almost four million overseas Filipino workers, whose labors and savings have helped sustain our economic growth, as well as our international good will.

We have restructured the human resource development institutions as part of our country's continuing drive for a globally competitive work force.

We have created the Technical Education and Skills Development Authority (TESDA) to provide industry with technical and vocational skills appropriate to the demands of industrialization. The TESDA's institutional linkage with industry has in fact been strengthened through the passage of the Dual Training System Law.

The labor department, through its regional tripartite wage and productivity boards, has mandated 64 rounds of wage increases, covering all 16 administrative regions across the country in the last six years. This has led to an average increase of 47 percent of workers' wages since 1992.

Supplementing the wage increases is the passage of the Comprehensive Tax Reform Law raising the deductions for lower-income groups. This has resulted in a more friendly tax regime for workers, effectively increasing workers' take-home pay.

### **An amended Labor Code**

We have amended the Labor Code to strengthen the visitorial and enforcement powers of the Secretary of Labor and Employment and the department's regional directors. The bottom line is that violations must be corrected swiftly. We have also passed a double indemnity law against violators of minimum-wage adjustments.

To promote the speedy resolution of labor disputes, we have also amended the Labor Code in respect to the jurisdictional boundaries of the divisions of the National Labor Relations Commission. This is intended to maximize the resources of the commission toward a more expeditious disposition of cases.

Supplementing the legislative changes in labor relations is a more effective management of disputes, particularly in strike-prone industries. In the last six years the number of strikes and lockouts has consistently declined. It now stands at less than 100 strikes a year, compared with more than 500 in 1986. This situation has enhanced the attractiveness of the country as an investment destination.

In the area of workers' protection and welfare, we have passed the Antisexual Harassment Law, the first law of its kind in Southeast Asia. We have strengthened the prohibitions and penalties against child labor, particularly the employment of children below 18 years of age.

In the area of social legislation, we have passed a Retirement Law applicable to all workers in the private sector without retirement plans. We have also reduced the retirement age for underground mine workers, taking into account the peculiar hazards to which they are exposed.

We have also been moving toward a truly universal coverage of social security with amendments to the SSS law and the GSIS law, the creation of the Philippine Health Insurance Commission, and the passage of a Paternity Leave Law.

### **Social programs for workers**

Throughout the six years of the Ramos Administration, we have ensured funding through the General Appropriations Act of various social programs implemented by the labor department in partnership with its various publics.

We set up programs for unions and other workers' organizations; for entrepreneurship and capability building; for the youth, students and the differently abled; for the informal sector; for training and retraining; and for cooperative development, among others.

All in all, from a modest appropriation of P2.1 million in 1992, a total of P3.6 billion was allocated to the labor department to support social programs over the last six years. In this respect, empowerment programs were not directed at unions alone but also at other forms of organization, including cooperatives. Many of the unions represented here have benefited from the Workers' Organization and Development Program, which provides capability-building grants and entrepreneurship loans. The first beneficiaries of the program are the Pambansang Tagapag-ugnay ng mga Manggagawa sa Bahay and the Kaunlaran ng Manggagawang Pilipino, Inc., which today has just launched its fifth workers' village, with one more in the pipeline this year.

### **The centennial of the labor movement**

Today is unlike the previous Labor Day celebrations we had. Under the overarching theme of the centennial of independence, the Philippine Labor Movement is nearing its own centennial, counting from the time Isabelo de los Reyes established the first formally organized union, Union Obrero Democratico, in 1902.

By now, the labor movement should be making its countdown toward its own centennial. But we do not need to wait for the year 2002 to bestow on the leaders of the labor movement their well-deserved recognition.

And so, today, we honor both the living and the dead, showing them the appreciation of a nation for their pioneering and sustaining efforts as vanguards of the working class.

We are also launching today a Hall of Fame for labor leaders, which shall be housed in the appropriate agency within the labor department, and the Gawad Awards for outstanding workers and outstanding collective-bargaining agreements.

I also note that, unlike previous Labor Day celebrations, we have with us today a wide cross-section of our work force, including the farmer's groups, homeowners, women's groups, overseas workers, public sector, and workers in the services and industry sectors.

To give more meaning to this occasion, I have just signed Proclamation 1215 declaring the first week of May of every year as "Linggo ng Paggawa," with each sectoral grouping being accorded a day of recognition. I hope this will inspire our diverse sectors to look at their contributions, then come together with the single purpose of promoting economic and social development toward a stronger nation.

### **50th anniversary of membership in the ILO**

This year, we also take pride in commemorating the 50th anniversary of the Philippine membership in the International Labor Organization (ILO). For the past 50 years, the Philippines has remained a staunch partner and active supporter of the ILO in its quest for peace and social justice in the world of work.

I have signed Proclamation 1211 declaring 1998 as the Golden Year Anniversary of Philippine membership in the International Labor Organization to commemorate this historic milestone in our partnership.

In reaffirming our commitment to the ideals and principles of the ILO, this year we ratified ILO Convention 138, which seeks to eliminate child labor; Convention 176 on the safety and health of mine workers; and Convention 179 on the recruitment and placement of seafarers.

To further strengthen support and protection for our indigenous peoples, we have submitted for ratification by the Senate ILO Convention 169 on the protection of the rights of indigenous peoples to coincide with the start of the United Nations Decade for Indigenous Peoples.

One hundred years ago, our heroes called on their comrades in arms to fight their battles of liberation from colonial rule. In the last six years, we have relived the ideals of our heroes, fighting our own battles on different fields—against poverty, unemployment, social division and our own complacency.

In the incoming administration, Filipino workers must continue to seek reforms appropriate to the changing world of work. A new set of reforms is in fact needed to fortify and advance the gains we have made in the last six years.

We must continue to enhance the competitiveness of the work force. We must, at all costs, continue protecting our main competitive advantage, our human resources, through responsive and rational human resource programs. We must manage our growing labor force more efficiently. Information technology presents to us an opportunity to minimize job mismatches and labor-market inefficiencies. One of the major strategic directions of reform in labor administration should be in the area of managing labor-market information.

### **Restructuring employee-employer relations**

We must move to redefine and restructure employee-employer relations, as well as remove the rigidities in the industrial relations environment, but always bearing in mind the need to balance management prerogatives with the protection of workers.

We must give life to the principle of industrial democracy and shared responsibility, recognizing that labor is a primary social and economic force. We must move to strengthen the social partnership between labor and management by setting up the legal and administrative mechanisms that will promote dialogue, negotiation and cooperation rather than conflict and confrontation.

We must continually work for universal social protection.

Lastly, we must redefine the concept of labor and ensure that the concerns of every worker in every sector are attended to.

*Source:* **Presidential Museum and Library**



**Speech of President Ramos during the Centennial of the Proclamation of Philippine Independence, June 12,  
1998 Speech  
of  
His Excellency Fidel V. Ramos  
President of the Philippines  
During the Centennial of the Proclamation of Philippine Independence**

*[Delivered at the Aguinaldo Shrine, Kawit, Cavite, June 12, 1998]*

**Our glorious beginning**

THIS IS A glorious period in our history. In celebration, millions of Philippine flags wave proudly in offices, schools, homes, vehicles, roads and bridges, and at the mast of every ship sailing our native seas.

As nationalism takes center stage in our commemoration, so have we focused our attention on how we can proclaim before the world our sovereignty as a nation and as a people.

**Our finest tribute**

Perhaps this is the finest tribute we can offer on this occasion: to stand out in our part of the world as a people capable of charting our own destiny in accordance with the principles and institutions associated with democracy. Inspired by the sacrifices of our heroes and fortified by their values, we of the present generation are courageously facing the future, confident that we, too, will win our own battles and triumph over whatever challenges destiny may throw at us.

To whoever may ask what exactly it is we celebrate today, we have this to say:

We Filipinos are rejoicing in our coming of age—in the final proof of our ability to understand, to use and to protect the liberty our heroes won for us a century ago.

Today we mark a hundred years of learning what it takes to rise from a diverse mix of language-groups, islands and regions into a self-conscious unity—into what Rizal called “one Filipino nation”—*ang sambayanang Pilipino*.

Today we are grown into the responsibility—and the glory—of nationhood. We are prepared to account for ourselves in the global community. We have begun to make our own history.

This Centennial celebration is an exhilarating popular event. But it is much more than a spectacle.

We have arrived at where we are as a consequence of our collective will—as the fruit of our common resolve—to transcend our differences and to create and enlarge that common space within which all of us can work and build a modern nation.

**The wisdom to secure peace**

We need to remind ourselves—that no matter how carefree, how exuberant the Filipino is reputed to be—we have also been a rational, resolute and steady-handed people—driven as much by ideas as by passion—guided as much by the lamp of reason as by the fire of emotion.

Our rebellions arose not simply out of blind anger or impatience, but out of the conviction—as Emilio Aguinaldo believed—that freedom, justice and equality are our birthrights.

And just as we have found the courage to wage war, so have we also found the wisdom to secure peace.

My friends—today we gather under the skies of peace, liberty and hope. We can consider ourselves fortunate to have been spared the worst of the economic and political turmoil that has swept many of our neighbors.

And we have just completed what have been reasonably honest, orderly and peaceful elections.

But again, more than fortune, it was our foresight and resolve that brought us to this moment. As Rizal himself observed in “The Philippines a Century Hence,” “It is *not* well to trust to accident, for there is sometimes an imperceptible and incomprehensible logic in the workings of history.”

We have arrived at this juncture in our history by the logic of democracy and development—by the natural desire of people to be free and to prosper—in the face of which all forms of tyranny and exploitation must ultimately surrender.

Improving the nation’s character

There is wisdom in the belief that history must be optimistic and that it must admit of positive change, or else it will serve little useful purpose.

Yes, history must serve as a manual of moral instruction for both leaders and people—a guide to the formation of the national character.

My own reading of it comes closer to an acceptance that history is “a race between education and catastrophe.”

This is a definition that bears hope—hope in our ability and capacity to improve as a community, from one generation to another.

This is certainly what I hope I have achieved during my Presidency. By liberalizing the economy, I hope I have infused the nation’s lifeblood with the surge of energy it needs to meet the challenges of the new century

Our Social Reform Agenda was launched to alleviate mass poverty; to ensure that the fruits of development can take place in a democracy, and that the empowerment of the people leads to sustained economic growth and social progress.

All these are reasons enough for us to celebrate. There is a good feeling in the entire country and a pervading sense that things will work out for the best. Let our remembrance of the past, therefore, guide us in confronting the challenges of the future.

*Source:* **Presidential Museum and Library**

**NATIONAL GOVERNMENT PORTAL – EDITED AT THE OFFICE OF THE PRESIDENT OF THE  
PHILIPPINES UNDER COMMONWEALTH ACT NO. 638**

**Speech of President Ramos at the Second University of the Philippines Lecture Series, June 15, 1998**

**Speech  
of  
His Excellency Fidel V. Ramos  
President of the Philippines  
At the Second University of the Philippines Lecture Series**

*[Delivered in Quezon City, June 15, 1998]*

**The  
comes of age**

**Philippines**

SERVING AS PRESIDENT has been the high point of my life. That the end of my term coincides with our observance of the centennial of our independence only makes me even more proud. As we undertook our labors these past six years, we were also retracing the events that led to the proclamation of Independence on June 12, 1998.

Compared with the great deeds of those heroic personages who presided at the birth of the nation, our exertions must seem prosaic. Nonetheless, I would like to believe that the Ramos Administration did not fail our country and our people during our watch. And my colleagues and I are leaving the responsibilities of office with our country more peaceful, more secure, more prosperous and more confident than when we assumed our watch. In saying this, I do not mean to preempt history's verdict on my Presidency I mean only to respond to your request that I say something here for the record about our national journey during the past six years: the undertakings we embarked on, the challenges we had to face, and the goals we achieved.

It may seem just a memory now, but we came to office in the most inauspicious of times. Metro Manila and most of our population centers were suffering under frequent and prolonged blackouts. Amid a resurgent and modernizing Asian continent, we were "the Sick Man of Asia."

In one paean to the Asian economic miracle which will ever remain in my library a Western journalist dismissed the Philippines as "a teenage farce" and wondered loudly whether we Filipinos will ever grow up.

Today, six years later, how insignificant those words seem; and how profoundly has our country changed! I should be the last to claim them as my personal achievements as President, but during our watch let us say the lights were turned back on; the sick man has gotten out of the hospital, and the teenage farce has grown up—and more!

Today we are a country far different from the one we were in 1992. And I daresay we stand a little closer to the national dream that animated our heroes and forebears a century ago.

Writing in 1892, in the famous essay "The Philippines a Century Hence," Rizal prophesied:

The advancement and ethical progress of the Philippines are inevitable, are decreed by fate . . . the country will revive the maritime and mercantile life . . . and once more free . . . will recover its pristine virtues and will again become addicted to peace—cheerful, happy, joyous, hospitable and daring.

**We have come through**

Much of this has come to pass in the interval of a hundred years; perhaps only a few of us will disagree with Rizal's forecast that Philippine progress was inevitable. As we all know, our journey has been hard. The burdens have been heavy. Natural calamities have often been devastating. And there were many among us who doubted whether we would ever reach our destination.

But, by dint of our collective effort, we have come through. And now we enter our second century as a republic with our people more united, the country more peaceful, our democracy stronger, and the economy in a good position to weather crisis and resume accelerated growth.

Perhaps because I am a military man by training and an engineer and builder by background, I brought to the Presidency a different view of how problems should be faced and mastered.

Where more able politicians spoke of "making our country great again" or of "giving those with less in life more in law," I saw the challenge as one of "winning the future."

### **The sterile debates between Left and Right**

Trials and challenges for me are not debates over principles and dogmas. They must rather be overcome in the most pragmatic, cost-effective and fastest way.

Unless we could free ourselves from the sterile debates between Left and Right, between Utopianism and Conservatism, I believe we could never get out of the prison of poverty and underdevelopment.

Unless we could harness all the energies of our millions—from Batanes to Tawi-Tawi, from Eastern Samar to Palawan—and nurture the economy from the bottom up, we cannot modernize as a nation.

And unless we learned to use the powers of government and democratic politics to make essential reforms—and not just piecemeal changes—we would always be the laggard in East Asia.

Thus, early in my term, we embarked on an ambitious agenda of reform. Under the banner of what we have called "Philippines 2000," we set for ourselves the goals of people empowerment and global competitiveness that would be achieved by developing a culture of excellence.

Thus, also, we set specific target dates for the achievement of our goals. Our timetable was not open-ended, because we knew that to get from here to there always involved accomplishing many tasks along the way.

Many critics have scolded me for citing too many statistics in my speeches and for daring to hold Cabinet meetings in the countryside. These were for a practical purpose. The numbers, percentages and graphs were our only way of knowing whether we were succeeding or failing in our programs. And bringing government to the grassroots was, to me, the best way of getting our local people involved and of testing whether indeed our programs were impacting on the lives of our communities.

Whatever may be said, therefore, of my Presidency, I can say truthfully that I know exactly what we did accomplish during these past six years. I always knew what was going on in terms of the commitments of the executive branch, and I saw and heard for myself the situation and expectations of our people.

### **A just and honorable peace with our dissidents**

The specific path of reform we have followed consisted of several major links.

*First*, in the pursuit of peace and in nation building, we were able to forge a just and honorable peace with the Repormang Alyansang Makabansa and the Moro National Liberation Front. And, in the process, we won the respect

of the world—as evidenced by our country’s being awarded the 1997 United Nations Educational, Scientific and Cultural Organization Peace Prize.

We also talked peace with the Moro Islamic Liberation Front and made headway in persuading the Communist Party of the Philippines and its National Democratic Front to rejoin the mainstream of civil society.

Through our peace and development process, we were able to create the environment needed to nurture all the other activities relevant to our economic, social and political reforms.

*Second*, to stabilize the economy and open the way for growth, we dismantled monopolies and cartels and leveled the playing field through a package of enabling laws to spur more domestic and foreign investments, improve our human resources, and enhance our links with other nations in the global economy.

### **Exit from a generation of IMF supervision**

From nearly zero growth when we began in 1992, we have added—year by year—to national productivity and performance. We averaged an annual growth rate of 5 percent during 1993-97. The Asian financial turmoil notwithstanding, our economy continued to grow—our gross national product managed to increase by 2.5 percent during the first quarter of this year. Last March, we exited from 35 years of supervision by the International Monetary Fund—even while some of our neighbors are actively seeking IMF assistance for their own crisis-ridden financial systems.

*Third*, to distribute equitably the fruits of our development efforts, we launched the Social Reform Agenda (SRA) to help the poorest of the poor help themselves. We expanded access to quality basic services and facilities, such as primary health care, education, housing, easier credit and jobs. By raising the productivity levels of the poorest of our poor, we made the eradication of poverty and the narrowing of the gap between the haves and the have-nots the centerpiece of our development efforts.

We especially supported the 20 poorest provinces and all our fifth- and sixth-class municipalities which deserve the greatest concentration of services, while yet ensuring that the rest of the country—which needed to have their services delivered more effectively—would receive due attention. We transformed the face and smell of Smokey Mountain—once the symbol of what was wrong with the Philippines—into a model housing area with all the amenities of a commercial complex and green community, and changed the despair of scavengers into hope.

In 1992 the economy generated 781,000 new jobs. By 1996 we had created almost double that number—1,484,000 jobs—reducing the national unemployment rate from 9.8 percent to 8.4 percent as of end 1997. From 1993 to 1996 we helped 700,000 families own their homes. By the time I step down from the Presidency, we shall have provided housing assistance to 1.2 million households. In health, life expectancy increased from 66 years in 1992 to 69 years in 1995.

### **Institutionalizing social reform**

The sum of all these development indicators is that over these past six years, poverty has declined—from 40 percent of all Filipino families in 1990 to 35 percent in 1994, and further down to about 30 percent this June. Over the period 1992 to 1997, our per capita income increased from \$800 to \$1,240.

We have, in fact, institutionalized the SRA with the recent passage of the Social Reform and Poverty Alleviation Act (R.A. 8425). It is in this way that we reached out to the poorest of our people—and brought them into a widening circle of development.

*Fourth*, in support of our Medium-term National Development Program, we expanded and upgraded our highways, telecommunications, transport, energy and other public infrastructures.

From 1992 to 1998 we completed the construction and upgrading of 36,050 kilometers of roads and 45,464 lineal meters of bridges. We rehabilitated the Philippine National Railways main south line all the way to Albay—especially the final leg from Naga City to Legaspi City which had been non-operational since 1986—and revived the Pasig River ferry service to promote the use of inland waterways as an alternative mode of transportation.

### **Linking up the major island grids**

In Metro Manila we have built or are building modern infrastructure, including the circumferential road known as C-5, two more Light Rail Transit systems, the Manila Skyway, the New Ninoy Aquino International Airport Terminal, and additional international airports in Subic, Clark, General Santos and Zamboanga City.

We started interlinking the major island grids into one national power grid by completing the Leyte-Cebu interconnection last year and the Leyte-Luzon interconnection this year. Not only have we increased the country's energy output to 11,500 megawatts from a mere 6,950 megawatts in 1992. We also increased the use of indigenous sources of energy, such as gas, geothermal, coal and hydro to reduce our dependence on oil-based power plants.

*Fifth*, to ensure that our development is sustainable, we vigorously carried out programs and projects to protect our environment and conserve our natural resources. Such critical areas as the Tubathaha and Apo Reefs, Boracay and the Ifugao Rice Terraces are being protected and rehabilitated under our National Integrated Protected Areas system while we continue to clean large bodies of water, such as Laguna de Bay, Taal Lake and Lake Lanao.

*Sixth*, recognizing the indispensable role of government, we continued to streamline our bureaucracy and infuse it with a more competent, motivated, productive and creative personnel service force. We have adopted the widespread use of telecommunications and information technology to improve public service delivery and to reduce processing time in Government offices.

*Seventh*, to restore our country to a place of respect in the community of nations, we embarked on an intensive foreign relations campaign based on economic diplomacy and the internationally shared goals of freedom, peace and prosperity.

We pressed for cooperation within the international community in addressing new and urgent global issues, such as international terrorism and other transnational crimes, especially the illicit global trade in dangerous drugs and the illegal traffic in and criminal exploitation of women and children.

### **Bringing government closer to people**

We expanded our global linkages by building and strengthening partnerships and developing new ones with countries that no Philippine head of state had ever visited. Thus my foreign trips, which have been much criticized, were necessary. And the costs surely were exceeded a hundred-fold by the returns—not the least of which are in the improved protection of overseas Filipino workers and unprecedented foreign investments in our country.

As for my travels around our country, which I undertook even on weekends and holidays, few are aware of how significant and extensive these have been. In six years I made more than 600 provincial trips, or an average of two times a week—far more than that of any previous administration—and held 45 regional Cabinet meetings in key cities and towns. And I didn't do this just to prove my stamina or to satisfy any wanderlust. My object was to bring government truly closer to the people, to feel their pulse, to know their concerns, to solve problems on the spot whenever possible, and to fast-track projects by reducing or removing bottlenecks.

To put more permanence into our reforms, we ensured that these were supported by 228 legislative reform measures, many of them interwoven into various international agreements. This record number of laws passed was made possible by the mechanism called the Legislative-Executive Development Advisory Council, which we created under R. A. 7640 to ensure a harmonious and productive working relationship with Congress.

Some wonder whether these reforms and achievements will endure into the new century—considering that Asia today is in profound crisis.

I will answer that we are faring better than our neighbors during this time of turmoil precisely because of these reforms and achievements. And we will be among the first to recover when this crisis finally blows over, as it must inevitably.

### **We are on the side of history**

In a way, the present crisis proves that in choosing democracy over authoritarianism, we Filipinos were on the side of history. For in this time of extraordinary change in the world, it is a fact that democracy and the free-market system go together. Some Asian economies are in agony mainly because of their lack of transparency and democratic controls.

The process of change will continue in the world community and the global economy. And I daresay that success will come to us if we can combine the democratic virtues of transparency and accountability with the Asian virtues of thrift and hard work.

Today, in this year of our centennial of nationhood, we should celebrate the fact that the Philippines is a truly functioning democracy. We have just successfully concluded national elections that elected a new President, a new legislature, and new local governments. Despite vigorous political competition, the institutions of government are intact and have found virtually universal acceptance throughout the country. From the barangays to Malacañang—from the new legislature to the new local governments—those who make and enforce the decisions of government answer to those whom their decisions affect. The harmonious transfer of the presidency from me to President-elect Joseph Ejercito Estrada will take place on June 30, 1998, as scheduled, and as I guaranteed.

Despite the Asian crisis, our economic transformation continues, even now as we stand on the edge of a change of government. I believe we have discarded forever the protectionist policies of the past, and the integration of our economy with the world is irreversible.

### **The economic revolution is irreversible**

The economic revolution—like the political revolution—is already too advanced to be reversed. Our political institutions have allowed a democratic culture to grow and flourish. In the past five years, we have built economic institutions—in finance, trade, industry, labor, agrarian reform and agriculture—that have started to replace the age-old culture of graft, consumption and privilege with one of honesty, thrift and risk. But we have more work to do. Many challenges remain. Weaknesses in the economy must be corrected. The tax system must ensure that every citizen and corporation pays the right amount of taxes at the proper time. To bring the bureaucracy in line with national modernization, the reorganization of government and the rooting out of corrupt officials must continue. The education of young Filipinos—the most important resource we have—must be given the highest priority. And we must never forget the high importance of our relations with the world—with nations far and near.

Perhaps, I am already treading on the turf of the next administration—so let me now summarize and conclude.

Looking back over the past six years, I believe we have come through because we trusted in the capacity of democratic government and an empowered citizenry to renew our national life, and because we learned to apply pragmatic solutions to the most critical problems of our national life.

### **We look to the future optimistically**

Democracy and the steady course we have followed have brought us new confidence and long-term stability that have accelerated—not retarded—our economic progress. We look to the future with the optimism that comes from faith in the people's knowledge and certainty that they—not presidents—rule.

Only history can distinguish between the enduring and the transient accomplishments of my Administration. But perhaps you will allow me to take encouragement from a recent cover story in *Time* magazine which declared in its title: "The Philippines: After 100 Years of Independence, Things Are Looking Up," and commented: "In his nearly completed six-year term, President Fidel Ramos has revolutionized the Philippine economy, making it a contender for prosperity at last."

I am flattered by the praise, but we all know better. Our people and our Government, our business sector and our workers, and all our local communities did it together. We dared to emplace reform. We put our shoulders to the wheel and the plow. And we turned things around for our country.

*Source:* **Presidential Museum and Library**



**Speech of President Ramos on the acceptance of the 1997 Felix Houphouet-Boigny Peace Prize jointly with Governor Nur Misuari, June 17, 1998**

**Speech  
of  
His Excellency Fidel V. Ramos  
President of the Philippines  
On the acceptance of the 1997 Felix Houphouet-Boigny Peace Prize jointly with Governor Nur Misuari**

*[Delivered at the Centre International du Senegal, Dakar, Senegal, June 17, 1998]*

**Mankind's noblest goal**

OF ALL THE TITLES a public servant can aspire to, there is none greater than that of peacemaker. For peacemakers are particularly favored:

“Blessed \_\_\_\_\_ are \_\_\_\_\_ the \_\_\_\_\_ peacemakers,  
for they will be called sons of God.”

— Matthew 5:9

That is why I am deeply grateful for this award the United Nations Educational, Scientific and Cultural Organization (UNESCO) has bestowed on Governor Misuari and myself—especially since it bears the name of President Felix Houphouet-Boigny, who embodied—for so many people—mankind's longing for peace and brotherhood.

But—even as I thank you for this award—I must also say I can accept it only in the name of my fellow Filipinos—and my country's friends and well-wishers from many parts of the world.

I say this because, in this century of conflict, peace—whenever it is achieved—is never the work of just a few individuals. It is always the collective achievement of many. And this was how it was in the case of the peace accord between the Government of the Republic of the Philippines and the Moro National Liberation Front (MNLF).

**An award that offers hope**

For Filipinos—who lived through this conflict for 26 years—there is of course no greater prize than the dawning of peace itself and the consequent flowering of development. Because our peace process has stopped the fratricidal killings in our southern regions, it has lighted up many paths to a brighter future for our people.

The value of UNESCO's yearly presentation of the Felix Houphouet-Boigny Peace Prize is universally appreciated because it seeks to propagate a way for all mankind to rise above the conflicts that plague us. The Prize raises a beacon to all societies and nations embroiled in civil war, rebellion, insurgency and social violence.

It raises the hope that there is a way to end these conflicts other than mutual extermination. And this is the path taken by the statesman whose name this award bears. As President Houphouet-Boigny declared: “There is no problem in the world, however difficult . . . that cannot be solved through negotiation.”

Subscribing to that same truth, we found peace in Mindanao—which we are now following up with a focused development agenda. And we know others who seek peace will find peace in much the same way—by patient and creative negotiation.

The road to ending the armed struggle in Mindanao has been long, arduous and costly. Fortunately, we Filipinos did not have to travel that road alone. On the road to peace, we received the help and encouragement of leaders around

the world. Many times the member-nations of the Organization of the Islamic Conference (OIC) provided the impetus that enabled us to press on when the going seemed toughest.

It was the OIC which pushed both sides in the conflict to take the first steps toward peace. At the OIC's behest, Col. Muammar Qadhafi of Libya offered his hospitality and started the mediation process which produced the Tripoli Agreement of December 23, 1976. That landmark agreement provided the framework on which the Government and the MNLF built the architecture of peace in the Southern Philippines.

### **Senegal's role**

It is fitting that we should hold these ceremonies here in Dakar—for Senegal is one of the OIC's Committee of Six (together with Indonesia, Libya, Saudi Arabia, Bangladesh and Somalia), which tirelessly offered its good offices to ensure that—despite seemingly irreconcilable differences in their interpretation of the Tripoli Agreement—the dialogue between the warring parties continued.

In February 1986 the Philippines was restored to its democratic system by a peaceful People Power Revolution that overthrew a dictatorship whose authoritarian ways had triggered the secessionist movement. This infused a new spirit into our efforts to achieve an honorable peace—and reconciliation—in the Philippine South.

With the OIC's encouragement, the MNLF under Chairman Nur Misuari recognized the benefits of ending the conflict within the framework of a new Philippine Constitution. For its part, the Philippine Government also recognized the need in our multicultural society for people to determine freely their political status—and the way they would carry out the social and economic development of their communities.

This resulted in the setting up of the Autonomous Region in Muslim Mindanao (ARMM)—a political concept written into our 1987 Constitution. Initially, this Autonomous Region was not fully acceptable to all the parties in the controversy. But it provided the democratic space for the two opposite sides to meet at the center—and then travel the path to peace together.

With the hospitality and good offices offered by Indonesia—our neighbor and brother in the Association of Southeast Asian Nations (ASEAN)—and the encouragement of the Committee of Six—the Philippine Government and the MNLF began to thresh out their differences in earnest, starting in October 1992.

In those meetings there were moments of tension and grave disagreement—moments that threatened to reopen the wounds inflicted by the years of conflict. But finally a Mindanao Peace Agreement was signed on September 2, 1996—just three months short of a full 20 years since the Tripoli Agreement.

### **Peace and development must go together**

I remember receiving messages of congratulations from leaders of Asia, Europe, Africa and the Americas. I recall with appreciation the message sent by UNESCO Director General Federico Mayor on September 3—offering UNESCO's full support for the Southern Philippine Council for Peace and Development, which we set up to oversee the Mindanao accord.

The equally difficult task of ensuring sustainable development in the affected areas has become a top priority of Government—because peace and development must go together.

Peace and development in Mindanao are the work of many good people, including those from other countries. And, as Governor Misuari and I accept this award from UNESCO, it is only proper that we acknowledge their help.

We thank the governments and peoples of Senegal, Indonesia, Libya, Saudi Arabia, Bangladesh and Somalia—and especially His Excellency Col. Muammar Qadhafi and Ambassador Rajab Azzarouq of Libya; former President

Soeharto and Foreign Minister Ali Alatas of Indonesia; former OIC Secretary-General Dr. Hamid Algabid and his deputy, Ambassador Mohammed Mohsin.

### **A meeting of minds**

We achieved peace because of their willingness to mediate—even when our two sides seemed farthest from a meeting of minds. Their immense store of patience and diplomacy enabled us to transcend our then seemingly intractable differences. And their guidance led us to discover the key principles that made possible a just, honorable and workable agreement.

Many good people—many dear friends—helped us achieve peace in Mindanao after a generation of conflict. And that landmark achievement we commemorate today. But we Filipinos—Governor Misuari and I most of all—know that peace does *not* mean merely the absence of conflict. Peace—if it is to endure—must be much more than that. It must also be the means to the fulfillment of the hopes we share—of lifting up the common life, and of winning the future for every Filipino.

In the Southern Philippines there is much more the two sides to the peace agreement must do—together—in union with all our countrymen.

The Peace Agreement also calls for setting up the political, economic and social institutions that will enable the people of Mindanao to decide by referendum the future composition of the Autonomous Region in Muslim Mindanao (ARMM). Such institutions and supporting programs are being put in place, as follows:

- A Southern Philippines Council for Peace and Development and a Special Zone of Peace and Development are already established;
- Qualified members of the MNLF have been incorporated into the armed forces and the police;
- The executive and legislative assemblies of the Autonomous Region have both been strengthened; and
- Provisions are being made to enable ordinary people in the Philippine South to have a greater say in the development programs of their local communities.

More than \$1 billion in public funds has been set aside for upgrading ports, airports, telecommunications, roads and bridges; for improving agricultural productivity and irrigation systems; for increasing electric power supply; for building low-cost housing; for setting up projects in livelihood and skills training; and for delivering primary health care, basic education, potable water and other social services in our southern regions.

### **Mindanao in a new growth zone**

Mindanao Island, with a population close to 20 million, has benefited from a large proportion of the foreign loans and grants received by the Philippines. Development aid has come from Japan, Canada and Spain.

With Brunei, Indonesia and Malaysia, the Philippines has established a cross-border free trading area and growth zone—called the East ASEAN Growth Area (BIMP-EAGA)—that links our economies together with a minimum of formalities. As a result, Mindanao has become one of our country's fastest-growing areas—with an annual growth rate higher than the national average. And its resurgence has helped stabilize our economy, reinforced the peace process, and enabled our country to weather East Asia's currency turmoil.

Beyond East Asia's financial crisis, the peace we were able to establish in Mindanao has bolstered our country's competitiveness in the age of globalization dawning on us. The restoration of political stability on our southernmost main island has increased our economy's attractiveness to foreign investors who more and more value the openness of national society and the transparency of governance in making their investment decisions.

### **Protecting our cultures from globalization**

In the Southern Philippines, peace has also increased our chances of protecting our traditional cultures from the impact of globalization. Peace makes easier the work of reinforcing the unity of our mixed communities—on which neighborliness depends—against the spread of selfish opportunism. And the cohesive influence of Islam and ecumenism is helping keep families, neighbors and communities together, despite the unavoidable inflow of foreign cultures and new technology.

In closing, let me summarize my people's message to you.

New hope and new life have risen in Mindanao because—with the encouragement and staunch support of our friends in the world—we have found the courage to make peace as brothers.

Despite the trials of a long and costly conflict, we remained unswerving in our determination to seek a peaceful solution to the age-old problems in the Philippine South. And, when given the opportunity to break through, we seized the opportunity to win the peace.

In the larger historical context, I am proud to say that the Filipino people have taken up the burdens of peace as bravely as they had taken up the burdens of conflict. And I am confident we Filipinos will continue to bear this responsibility of keeping the peace—for we know only too well the terrible costs of conflict.

We have come to realize we cannot develop separately—as ethnic groups or political factions or diverse cultural communities or economic classes isolated from one another.

We Filipinos have come to realize that, as a multiethnic society we can develop only as one country and one people. And we have learned—painfully—the lessons of our history—even as we continue to learn from the history of other peoples.

### **A legacy of freedom**

Filipinos have been through the entire spectrum of bloody conflict during the past 100 years—revolution against Spain, war with the United States, invasion by Japan, a guerrilla resistance movement against occupation forces, a devastating allied liberation campaign—and after World War II—communist insurgency, separatist movements and a string of military coup attempts.

On the other hand, the Philippines claims credit for the first peaceful, nonviolent People Power Revolution that toppled a dictatorship in our part of the world. This act of the sovereign people, supported by a democratically-oriented military, showed the peace-loving character of Filipinos to the world in February 1986.

We have survived all these vicissitudes and our democracy has now emerged more stable and more united than before.

To us Filipinos, the higher significance of this 1997 UNESCO Peace Award is that it comes at this particular time—almost to the day—of our centennial of Philippine independence, of our 100th year of nationhood as Asia's first republic. The UNESCO Peace prize therefore adds lustre to the legacy of freedom we leave to future generations of Filipinos.

*Source:* **Presidential Museum and Library**

## **MESSAGES TO THE CONGRESS**

**Fidel V. Ramos, First State of the Nation Address, July 27, 1992**

**Message  
of  
His Excellency Fidel V. Ramos  
President of the Philippines  
To the Congress  
On the State of the Nation**

[Delivered at the Batasang Pambansa, Quezon City, on July 27, 1992]

**“Reform, Change and Growth”**

Mr. Senate President; Mr. Speaker; Vice President Joseph Estrada; Chief Justice Andres Narvasa; the distinguished members of the Senate and the House of Representatives; Your Excellencies of the Diplomatic Corps; honored guests; fellow workers in government.

This afternoon my traffic escorts saw to it that the delay, because of bad weather, floods on the streets was exactly for one hour in order not to disrupt the schedule of the Joint Session of Congress.

Today we begin our joint and complementary efforts to discharge government’s sworn duty to our people and our country.

Ordinarily, this occasion has for its time frame the year just past and the year unfolding.

But for us, this gathering has a more transcendent meaning. For it also begins our terms of office. And that cannot but enlarge our horizon as we survey the state of the nation.

I stand here to ask for the support of Congress and to offer my hand in a partnership of patriotism and progress between the executive and the legislative. Our Constitution specifies separate powers and responsibilities for Congress and the presidency—as distinct and coequal branches of government. Yet our Charter also reminds us we are not rivals for power, but partners in serving the national interest.

Though there are tasks that only the executive or the legislature must carry out, we are both trustees of a common heritage, a common interest, and a common purpose.

We stand on the threshold of destiny. The end of my term will coincide with the centennial of our declaration of independence. Six years hence, the governments this nation has endured will pass in review and receive the judgment of history. They will be asked what they will do, what they did with the country’s independence. My administration will be the last before the centennial. That is my luck, for it will naturally receive the closest scrutiny. It is not only the spirit of independence that will demand a reckoning. In the next six years, the nation will commemorate other great centennials: the Cry of Pugad Lawin, the Battle of Pinaglabanan, the execution of Rizal. One hundred years of sacrifice and struggle. The ghosts of a generation of founding heroes shall step from their monuments to demand an accounting of the legacy they left behind.

In this spirit, I come here today to report to you on the state of the nation; and to tell you of the course I propose we follow in meeting our shared responsibility.

Twenty-eight days ago, I entered into the presidency. Since then, my principal object has been to know all that one can possibly know—in that brief time—of the problems facing the nation, the opportunities open to us, and the support we can count on from our people and from our friends in the world. I shall not pretend that my administration now knows all the answers. Nor that we now have all the requisites to meet every problem and every

contingency. But this much is clear to me: Though our problems are grave, we are much better placed to address them than our predecessors were, a year or so ago.

Though obstacles may shadow our labors, we have the crucial requisite for surmounting them: and that is the combined resolve of our people and their elected representatives to join together and face all problems and all dangers.

I see our task not in terms of any specific problem but in the light of the purposes of union enshrined in the Preamble to our Constitution:

To build a just and humane society and establish a government that shall embody our ideals and aspirations, promote the common good, conserve and develop our patrimony, and secure to ourselves and our posterity the blessings of independence and democracy under the rule of law and a regime of truth, justice, freedom, love, equality and peace.

Some of these hopes have attained a measure of fulfillment under the past administration and the last Congress.

Certainly we are today a nation confirmed in our constitutional democracy: strengthened by the trials we have weathered.

Considerable stability has been attained in the economy—as efforts at stabilization, restructuring, and reform over the last six years have borne fruit.

But our people still live under the weight of many problems. The indicators of national life tell us just how heavy is this burden: The top 20% of Filipino families receives 50% of our country's total household income; the lowest 20% receives only 5%. At least 5.8 million families—over half of all our households—do not earn enough to meet their basic needs.

In 1991, some 2.3 million of our workers were jobless; and 7.6 million of those who had jobs were working less than 40 hours a week.

Meanwhile, 860,000 young people join the labor force every year.

These severities of economic life translate into grave problems in politics and social life.

Today we are one of a few countries burdened with the combined weight of communist insurgency and other rebellions.

Crime makes our streets unsafe, and threatens our citizens in their homes.

Social services have lagged behind the rise of population and the mass migration to our cities of poor rural people. Neighborhoods are deteriorating and too many families are without adequate housing. Our education and health services are under unbearable strain.

And every day that we delay meeting these problems, they grow more intractable.

The test is whether we can act with dispatch to answer these challenges—not tomorrow but today.

Peace and security are the first urgent problem. For as long as instability and uncertainty characterize our common life, we shall not make any headway. This is why in my inaugural address I immediately raised the issue of amnesty to enable rebels to reenter civil society as law-abiding citizens.

Our goal must be to attain a just, comprehensive, peaceful, and lasting resolution of the internal armed conflict that has cost the nation and our people so dearly.

This effort must go hand in hand with the thrust of my government to institute basic reforms to root out the causes of rebellion.

After lengthy consultations within the government and the private sector, I am now prepared to take the following steps.

First, I am submitting to Congress today an amnesty proclamation that will cover some 4,500 former rebels—2,100 former members of the CPP-NPA and 2,400 former members of the MNLF—who have already applied for amnesty under Executive Order No. 350, promulgated on March 13, 1989, as well as those who may still wish to apply for amnesty under this Executive Order. I ask for immediate Congressional concurrence.

This grant of amnesty is the initial step in a comprehensive peace and unification process that shall address the problem of bringing back all other rebels to the fold of the law. I therefore invite both chambers of Congress to join the executive in constituting a National Unification Commission, that will include representatives of the private sector. This commission will undertake extensive consultations with concerned sectors of society, including rebel groups, in order to formulate a viable amnesty program and the process that will lead to a just, comprehensive, and lasting peace.

And before I proceed any further let me sign in your presence my Letter of Transmittal of Proclamation No. 10 to the Honorable Senate President and to the Honorable Speaker of the House as follows:

I transmit herewith Proclamation no. 10 titled “Granting amnesty in favor of persons who have filed or will file application for amnesty under EO no. 350 Series of 1989 for your concurrence pursuant to Sec. 19, Article no. 7 of the Constitution.

The committee must submit its findings and recommendations within 90 days.

I have also directed the Secretaries of Justice, Defense, and Interior and Local Government to review the cases of so-called rebels under detention or serving sentence and to recommend as soon as possible who can be released through administrative action, granted executive clemency, or recommended for release under bail, with the end in view of further creating a favorable climate for national unity.

Finally, I ask Congress to repeal Republic Act No. 1700, as amended, so that the Communist Party of the Philippines and similar organizations will no longer be outlawed but allowed to compete freely, openly, and peacefully in the political, economic, and social arena instead of their following the path of the armed struggle.

Peace is a process. And we must all join hands to bind and heal the conflicts that have so long divided and held us back.

Crime is the other problem that endangers our peace.

When public order breaks down; when men, women and children fear for their safety in the streets and in their homes; when contempt and mistrust characterize citizens’ attitudes toward lawful authority; then we all—young and old, rich, and poor—are victimized.

These past 28 days show what we can do once the will is there. The creation of the Presidential Anti-Crime Commission is only the beginning. More is required to eradicate this plague in our society.

First, I ask congress to restore the death penalty to cover heinous crimes, which of late have enjoyed a resurgence—encouraged, no doubt, by the weakness of our deterrents.



Second, let us deal decisively with the scalawags in uniform by doubling the penalties for law enforcers and military personnel who commit criminal acts. And let us in the same measure provide incentives and rewards for public servants in uniform who show dedication and skill.

I saw many of them out in the flooded streets of Quezon City and Manila as I was coming here this afternoon.

Third, let us improve our institutional and professional capability for crime prevention and crime suspension at both national and local levels. These measures should include a stricter firearms control law and more effective actions by our peace and order councils.

In the economy, let us move forward from stabilization and restructuring to measures and policies designed for growth. One step above all is essential: the formulation of a national midterm development plan for the six years from 1993 to 1998. In the framing of this plan, I invite the participation of Congress; and this can be facilitated by the speedy creation of a Legislative-Executive Development Council, which I recommend to you.

I shall soon submit to Congress the proposed national budget for fiscal year 1993.

Through the budget, we shall pump-prime the economy; stimulate growth by focusing public investments on programs with the highest productive and economic returns; and provide social services and productivity programs that will empower the majority among us who are now without the means to lead decent and useful lives, particularly the farming, fishing, and labor sectors.

Infrastructure building we must push aggressively. This will not only create jobs in the countryside. It will also give investors proof of our resolve to provide growth a solid foundation for sustainable development.

Our priorities are communications, arterial highways, local and national roads, major bridges, urban highways, and major water conservation and flood control projects.

For efficiency and continuity, all these should be provided multiyear funding. We shall also tap private resources under the build-operate-transfer and similar schemes. To liberalize the private sector's entry into the transport industry, it will be necessary to amend the 50-year old public service law.

To finance this infrastructure program, we shall be unrelenting in collecting what is due the government in taxes, duties, and other revenues. This can be attained primarily by cracking down on tax evaders. Tax evasion can be curbed if we can show that tax evaders—whoever they may be—will not go undetected and unpunished.

But let me also tell you now that we cannot make do with our present revenue base. Development has a price that must be paid.

And we shall submit to you a set of revenue proposals that will enable us to pay this price equitably.

On debt management, we are adopting a growth-oriented strategy, to contain our obligatory burden of debt servicing.

I assure you we shall also be much more assertive in negotiating with our creditors to gain better terms.

Some members of Congress have expressed anxiety about my decision to sign the new restructuring agreement that the past administration had reached with private creditors. But let me tell you that to forego this agreement would have meant stalling our forward movement and going back to square one—without any assurance that we can renegotiate let alone get better terms.

To maintain economic stability, we need continued fiscal and monetary discipline. We intend to keep the budget deficit within manageable and acceptable levels.

By adhering to this austere monetary program, we should be able to keep down inflation to a single digit throughout the rest of the year and beyond.

Alongside the monetary program, we need to improve the fiscal position of the Central Bank.

These measures will set the stage for strengthening the financial system—and bring down the regime of high interest rates. We should then be able to mobilize development financing for both agriculture and industry—not just through government financial institutions but primarily through the private banking system, whose business that ought to be.

In energy, we have moved with speed to moderate the crisis. But a new Department of Energy is still imperative—to make sure our experience of long brownouts during the past several months is never repeated and our long-term energy needs are met.

This new department will plan, implement, coordinate, and supervise all policies and programs on energy. The law we propose will also establish an energy development fund to be sourced from the Oil Price Stabilization Fund.

In trade, we expect a rise in export demand as our major markets return to growth. You can count on the executive to do all we can to make our industries worldwide competitive.

This means gradually abolishing all remaining quantitative restrictions on trade, liberalizing the foreign exchange market, and adopting a more realistic foreign exchange rate.

In support of the Foreign Investments Act, I ask Congress to amend the Condominium Law and liberalize nationality requirements in the Omnibus Investment Code. The objective is to make foreign companies secure in the possession of their plant sites in industrial estates.

We shall also review the present system of incentives to make it more attractive and encourage the flow of investments into the economy.

All our policies for growth will have a deep concern for protecting our environment. Our natural surroundings must be the beneficiary of modernization, not its victim.

I urge this Congress to take up anew the ban on logging which should, however, consider the possibility of identifying the areas where logging can be permitted under the concept of sustainable development.

I am also submitting for your urgent action an Environment Protection Code and a new Forestry Code to institutionalize the control by local communities over forests within their territories.

These measures will in time move the economy back to growth. But let us not imagine that growth by itself will suffice to bring the poor majority of our countrymen and communities into the mainstream of development.

If we are to substantially reduce poverty in the Philippines, economic policy in the large must become sensitive to the well-being of the majority among us who are without the means to enjoy decent and useful lives.

Within the week, I will sign an Executive Order creating a President's Commission to fight poverty, which shall gather under one umbrella all government activities designed to help our poor households and communities so that they catch up with the more progressive ones.

We shall undertake three main types of intervention against poverty: The first is to ensure the delivery of basic social services to the poorest communities and to make sure that every poor family has a decent minimum of health, nutrition, housing, and education. The second is to see to it that the poor gain access to agrarian reform, skills training, and extension services that will open up livelihood opportunities and jobs to them. And the third is to help

poor communities organize cooperatively to empower them to play a greater role in their own development and to make their voices heard in the making of public policy.

We must, in sum, depart from the “trickle-down” policies of the past, which had only left our poor farmer and other communities farther behind, and move into a policy of “positive discrimination” to lift them up and equip them with the humanities of life. Government will set itself not just theoretical but measurable standards for gauging its success in easing poverty year after year.

To act in this way for our poor is to assert the timeless principle that if we are to develop, we must invest in people. For our nation can rise only to the level of our people’s competence. The most profitable human investment is in basic education. I urge Congress to pass a bill on elementary education for the purpose of insuring universal and higher quality elementary education to the end that every Filipino child has access to a quality public elementary school. It will also ensure exposure of our young to technical and scientific knowledge. There are still thousands of barangays today that do not have elementary schools. In addition, we must upgrade the quality of instruction, textbooks, and school facilities. In sum, we must give the highest priority to elementary education in our spending program. To stress this is not to ignore the requirements of public secondary and higher education. These also merit our attention. But we must recognize that to bring our educational system into the mainstream of national renewal, we must begin at the beginning by making sure that every Filipino child has an elementary school within easy reach and that our young people are exposed to technical and scientific learning. We have to learn to talk of growth not in terms of statistics, but in terms of people: in the child we save from hunger and raise to knowledge, in the citizen we raise to a life of dignity and well-being, in the woman we raise to her true place in our society, in the community that we transform from distress into a net contributor to national vitality, and in a national culture that truly reflects and appreciates the native talent and resourcefulness of the Filipino. It has become a cliché, but it is nonetheless true: Real development has a human face.

We have missed perhaps this human dimension in our labors because government has become too big and has spread itself too thin. Over the last 28 days, one thing has become plain to me. For us to get anywhere, we need to remodel the very machinery of government. We have to reorganize the civil service so that it can do more—and do better. We must rationalize the public corporate sector by privatizing those of its operations which are better undertaken by private enterprise. And we must devolve and decentralize more of national administration so that government truly reaches out to our citizenry, wherever they may live in our vast archipelago.

This effort can be propelled only by definitive support from Congress. Since the reorganization will affect most of the cabinet departments, it does not make sense for us to reorganize piecemeal.

I would urge Congress therefore to consider one comprehensive “Government Reorganization Act” that will enable us to streamline the entire executive branch, including the Office of the President.

Our goal here is to promote speed in decision making and action that yields quality results; and to increase effectiveness and impact in government operations despite funding constraints.

We envision the following as integral parts of this reorganization program: (1) implementation of the law on attrition; (2) realignment of agency mandates by abolishing nonessential functions including vacant positions; (3) integration of all attaches and offices abroad; and (4) reduction of the number of departments and agencies.

Some have mistakenly thought that this is a request for blanket authority for the president in reorganization. What we seek is a law that will fully enable us to reorganize the executive branch. Others fear that reorganization will result in massive layoffs. This is not envisioned at all. The only ones who have to fear displacement are 15 to 30 employees and all those who do not possess civil service eligibilities.

Reorganization and professionalization of the civil service will greatly strengthen our hand in checking graft. But we shall not rely only on these reforms, nor on the independent work of the ombudsman and the Sandiganbayan.

As I proposed in my inaugural address, we must take action against both the bribe-taker and the bribe-giver. Surely we must be more aggressive against those who pay grease money to facilitate transactions with government. We will provide the ombudsman all the assistance in carrying out a successful campaign against graft and corruption.

In aid of this campaign, I urge Congress to pass a bill which addresses economic crimes and heavily penalizes graft and corruption. The bill could be patterned after the well-known RICO statute in the United States.

The overriding principle we must establish in government is that only by joint action—at national and local level—can we ever hope to achieve our goals and aspirations.

While many of our problems are national in scope, they exist in neighborhoods and local communities. Hence, the solutions must in the end be tailored to local needs.

While our problems require a broad national strategy and the political will to attack them, our response must be enriched by local perspectives and private sector participation.

No program—no matter how generously funded—an hope to uproot problems if it is based or developed solely in Manila. It must be founded on the life and experience of our local communities and enhanced by private sector involvement.

This is why we must move with dispatch. This is why I have established extension offices of the presidency in the Visayas and Mindanao. We must translate into reality the principles embodied in the landmark Local Government Code of 1991.

Precisely because decentralization departs drastically from tradition, we must nurture the process of change to ensure our local governments are empowered to cope, not just by law but by our aid and intervention in Congress and the executive.

Finally, I want to endorse in the strongest terms the passage of an act strengthening the Metro Manila Authority.

To live in Metro Manila today is literally a punishment—to exist with garbage, smog, traffic congestion, flood, and substandard public services. The atomized jurisdictions in the metropolis cannot deal with problems that are collective in nature. The only answer is a metropolitan administration that will deliver basic services effectively to all of Metro Manila.

And it should be an administration headed by an appointive Metro Manila governor. No one should fear by such title the emergence of a new political personality who will dwarf elected Metro officials. His will be a strictly service-oriented office, nonelective, and fully subject to recall by the test of effectiveness.

In foreign relations, we must chart our course in a world—and an Asia-Pacific region—much changed by recent events. The end of the Cold War may have eased the danger of a nuclear confrontation. But, ironically, the loosening of big-power tensions makes more likely the breaking out of quarrels within the region—which the superpowers once restrained, for fear of getting involved in them. Fortunately, there are few such quarrels threatening our part of the world. For the moment, securing continued access to world markets and technology must become the most vital concern of ourselves and our regional partners.

We have started reorienting our diplomatic service, to focus it on foreign trade and investment—in a word, to make it a tool of our effort at export-oriented development.

To the extent consistent with our constitutional responsibilities, let us together frame our foreign policy in a spirit of bipartisanship. And let it be truly national in character.

Our external defense we had implicitly entrusted to the Americans, under an a military assistance agreement and a military bases agreement with the United States. This had enabled us to get away with the smallest defense investment in ASEAN. Those agreements have already lapsed.

Now we must take up the responsibility for our own defense. Most urgently, the capabilities of both our Navy and our Air Force must make a quantum leap. And we shall have to accelerate our entire self-reliance program for the armed forces. Fortunately, this program will have beneficial side effects that are more than just military—in the transfer of technology, in job generation, and even in the potential export of defense products.

I believe—with all my heart—that our people and our country can be sure, now more than ever, of the loyalty, dedication and efficiency of their armed forces and national police. Let us give our soldiers and policemen the support they deserve.

Ladies and gentlemen of Congress: It is time to view our nation afresh—to see it the way our revolutionary heroes must have seen it at its birth—as a nation in which the common good is attainable. For too many years, we have defined our national life in ways contrary to our unity and progress. We have defined our politics in terms of conflict and competition: it is time we defined it in terms of cooperation and union. We have defined economic effort in terms of profit and self-interest: It is time we defined it in terms of sharing and caring. We have defined our culture in terms of jealous provincialism: It is time we defined it in terms of pride and linkage—taking what we can from the best of others, and giving what we can of our best to them. We the Congress and the executive can provide the example and the leadership for such cooperation, sharing, and linkage. You and I can act separately—and achieve very very little. Or you and I can act together—and achieve much, much more. The time is short and our responsibility is clear. In our hands, ladies and gentlemen of Congress, is the opportunity to turn the remaining years of this century into the resurgence of the Filipino nation. We have it in our power to achieve this goal. We also have it in our power to lose this chance—and condemn our country to continued decline and failure. I know we shall not fail. I know that we shall do all we can—severally and together—to make our stewardship of government a good one for our people and our country. The need is here. The need is now. Let us not allow our troubles to disperse our men and women all over the world—to be the housemaids and janitors of more fortunate peoples. Let our problems rather bind us together in one concerted action to banish the sorrows of the past, confront the difficulties of the present, and redeem the promise of the future. And when our collaboration shall have produced the prosperity and well-being of our people and our country, then might we say we have lived up to the sacred oaths with which we entered office. And our people will say to us—well done. Thank you and good day.

Maraming salamat po sa inyong lahat.

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**Fidel V. Ramos, Second State of the Nation Address, July 26, 1993**

**Message  
of  
His Excellency Fidel V. Ramos  
President of the Philippines  
To the Congress  
On the State of the Nation**

[Delivered at the Batsang Pambansa, Quezon City, on July 26, 1993]

**“Let’s Seize the Moment!”**

Mr. Senate President; Mr. Speaker of the House; ladies and gentlemen of Congress; Your Excellencies; special guests; mahal na kababayan:

Noong isang taon, ang ating mga kababayan ay naghahangad ng panibagong pagsisimula. Ngayon, tapatan nating masasabi na nabigyan natin ang ating bansa ng bagong pag-asa.

A year ago, our people asked of us a new beginning.

Today, we can truly claim we have given our country that fresh start.

We have arrested the decline—of the economy and the national spirit—which had so demoralized our people.

We are concluding a just and honorable peace with the military rebels, the insurgents, and the southern secessionists.

A new spirit of cooperation existing between Congress and the presidency has avoided the gridlock which obstructed policy making in previous administrations. And this is as it should be. Executive and legislature are not meant to function in confrontation with each other.

Our investors and businessmen can almost take political stability for granted once again. The stock market index has reached a record high.

**WINDOW OF OPPORTUNITY**

It is true that in some of our concerns—as in the economy—the forward movement has barely begun. There is still so much to be done. But today I can report to you of a country and people renewed in purpose.

Analyzing our situation in April, the World Bank noted:

The Philippines now faces its best prospect for sustained development in almost two decades. A window of opportunity exists for the new government.

This optimism about our prospects is not unusual. It is shared by many—here and abroad. But “a window of opportunity” is only that. A momentary opening—which can close sooner than we expect.

Ladies and gentlemen of Congress:

I invite you to join me in taking advantage of this opportunity and to seize the decisive moment together.

This is the challenge to leadership. Everywhere the old politics is in disfavor—because it has failed to respond to the transformations taking place in the world.

We must learn new ways of looking at the world. We need new answers to our problems. In this spirit, we offer a strategic framework for Philippine development.

## **THE STRATEGIC FRAMEWORK: “PHILIPPINES 2000”**

Modernization in our time requires the guidance and direction of a stable and resolute government.

Compare the Philippine State with the East Asian dragons. The East Asian States are able to assert their countries’ strategic interests because they are relatively free from the influence of pressure groups. The Philippine State, in the past, had been unable to act consistently in the national interest because it could not resist the importunings of oligarchic groups. And the economy had been governed largely by politics instead of markets.

Because of this experience, we now know that development cannot take place in our country unless we put our house in order. And this—to me—means accomplishing three things: One, restoring political and civic stability. Two, opening the economy: dismantling monopolies and cartels injurious to the public interest, and leveling the playing field of enterprise. Three, addressing the problem of corruption and criminality.

These three tasks—once completed—shall secure the environment for self-sustaining growth—and enable the government to positively and consistently act in the national interest.

Our strategic framework to establish effective government—of putting our house in order—so that our drive for development can begin—we call “Philippines 2000.”

“Philippines 2000” has two components.

The first is the Medium-Term Philippine Development Plan for 1993-1998 [MTPDP 93-98]. Guided by the principles of people empowerment and global excellence, it proposes specific policies and programs to stimulate economic activity and mobilize the entrepreneurial spirit in ordinary Filipinos. I strongly urge your approval of this medium-term Philippine development plan.

The second component of “Philippines 2000” addresses the larger environment—the political, social, and cultural climate—in which economic growth must take place.

The crucial question is: Can we reform an undemocratic economy by using a democratic political framework?

Authoritarianism eased the way to economic power and higher living standards for our East Asian neighbors. In contrast, we are working to reconcile our democratic politics with an oligarchic economy left over from the colonial period—not by changing the political system, but by democratizing the economy.

The time for authoritarianism has passed—in our country and in the world. Instead of the discipline of command, we must invoke the self-discipline of civic responsibility.

We Filipinos have always accepted that people with more are obliged to help people with less—in the name of a common, compassionate humanity. This traditional moral code we shall make a principle of public policy.

The few who have can never be secure in their possessions for as long as they live among so many who have not. Let me now take up our most urgent sectoral concerns one by one.

## **A. POLITICAL STABILITY AND PEACE AND ORDER**

### **1. STABILITY AND CIVIC ORDER**

Examples from East Asia teach us that the first—and foremost—requirement of economic development is stability, which is the long-term predictability of the social system. This is why we are seeking a comprehensive and lasting peace. As proposed by the National Unification Commission, we will pursue the “paths to peace” by undertaking social, economic, and political reforms that address the root causes of armed conflict; by encouraging people to participate in the peace process; by working for a negotiated settlement with the armed groups; and by establishing programs for the reintegration of rebel groups into the mainstream of society through a general amnesty program. At the same time, let us effect the modernization of our Armed Forces. The cooling down of tensions in the region enables us to set new priorities in defense spending.

### **2. PEACE AND ORDER**

Peace and order are the other face of national stability. If we are to release the full energies of the nation, people who live, work, and produce must be secure in their persons, in their property, and in their homes. We have enhanced our institutional capability to cope with crime—through the overhaul of the command-and-leadership structure of the Philippine National Police. To this end, I propose that the PNP law (R.A. 6975) be amended to correct its many weaknesses. We will dismantle the private armies that remain. We will not allow any more criminal brotherhoods, as in Calauan, to exist. This includes purging local police forces of scalawags and bullies. Last year, I proposed we restore the death penalty. I ask you to enact that measure as soon as possible. We must show determination to prevent any reversions to barbarism. In particular, I see the merit of bringing the anti-crime effort to the level of the barangay and the neighborhood—by evolving new forms of collaboration between citizens and law enforcers. This way, we can steadily constrict the space where crime can operate. The challenge is clear: Crime can only come under full control when criminals—in or out of government—know we’re going to catch them, convict them, and jail them.

## **B. THE ECONOMY**

Opening the economy is, likewise, a political task. In order to level the field of competition, we need to dismantle the structure of protectionism and controls, and restructure the monopolies and cartels that operate against public interest. On the other hand, we must encourage and support Filipino and Philippine-based corporations that have proven their efficiency, competitiveness, and civic consciousness. The critical question is no longer whether we will grow. It is how we can sustain and speed up this process. We have experienced a full year of steady, although unspectacular, growth. In the first three quarters of this administration, our GNP in real terms increased by an average of 1.3%. This is indeed modest—compared to the galloping growth of our neighbors. But this is no mean achievement, given our crippling power crisis. You gave me powers to break some of the barriers to the construction of generating plants that prolonged the crisis. We, in turn, ploughed through the maze of regulations and opened the gate.

Today, new plants are operating and others are under construction. The economy will soon have the power needed for growth. The power crisis is on its way to resolution because of the united actions of Congress and the executive branch. This is where our strength lies, in unity of purpose and harmony of actions. But these alone will not be sufficient for the economy to be strong and resilient for global competition. We therefore also have introduced reforms to restructure the system in favor of efficiency away from protecting the inefficient. We will continue policies of sound monetary management and containment of public sector deficits to ensure that private sector enterprise will invest, expand production, generate employment, and realize fair returns, particularly for exporters. As the power crisis eases, and as we carry out structural reforms, the economy should accelerate. The indicators are increasingly hopeful, such as:

- Inflation went down to 6.7% and interest rates declined to 10.2% in June.
- The foreign exchange rate is at a level that spurs exports.
- Gross international reserves were at an all-time high of US\$6.7 billion early this year.



- Investments registered with the Board of Investments grew by 111% in the first semester compared to the first semester of 1992.

But against these, we must admit these undeniable shortcomings:

- Revenues of the national government have fallen short of our goals.
- Expenditures in public investments fell short of programmed levels.
- Unemployment and underemployment have been reduced only minimally.

## **1. THE TEST OF REFORMS**

What must we do so reforms will result in a robust and expanded economy? First and foremost, we must not relent in our campaign to level the field of business competition: Global competitiveness must begin at home. Government will not retreat in its campaign against injurious monopolies and tax evaders. And so, I ask for the urgent passage of anti-trust and anti-racketeering legislation.

Let us recognize that an economy controlled by rent-seekers cannot produce free competition and efficiency. The economy must be open to all who bring in new capital, new knowledge, new ideas, and new levels of efficiency. We must broaden the base of economic participation. Let us, therefore, make this Ninth Congress the instrument to free and democratize our economy. By all means, let us join hands in an economic summit—the sooner, the better.

## **2. THE FINANCIAL SYSTEM**

The independent Central Monetary Authority assures us of a new regime of price stability. Opening of the financial system to foreign banks should bring more foreign investment and expertise. We have substantially recovered from the balance-of-payments crisis in the mid-eighties. The 1992 commercial bank restructuring package largely put to rest our problem on commercial debt. This year, we reentered the international capital market. Our two bond issues have been oversubscribed—confirming our credit-worthiness and international confidence in our future. But we must be prudent in availing of such credits. Instead, we should turn more to grants, concessional credits, and long-term loans. These will help fund our development projects. In response to recent reports on a supposed change in debt policy, let me state very clearly that it is in our national interest to maintain our current policy. Let us not risk curtailment of credit flows and cut the lifeline of business and commerce.

## **3. THE BUDGET**

I will soon submit to you, ladies and gentlemen of Congress, our proposed budget for 1994—detailing how we intend to finance our development plan. Our spending plan clearly states our priorities on how to do more with less. We will put the highest priority in those activities that pay the most dividends in productivity and growth. And we must resist the usual temptation to spend merely on what is popular just to win votes. The 1994 budgets should be approved by Congress well before Christmas 1993, well before the lights go on again at that time.

## **4. RESOURCE MOBILIZATION**

To meet the requirements of the development plan, we must mobilize resources through greater revenue generation rather than excessive borrowings.

We have to increase revenues to cover current shortfalls and fund public expenditures.

Our tax base has been eroded by proliferation of exemptions, infirmities of tax laws, deficiencies in collections, and widespread evasion. Tax exemptions, while well meant, are often abused by the underserving. The revenues lost from the exemptions have escalated from P3.3 billion in 1986 to P25 billion in 1992—or two-thirds of the capital budget of the national government for 1993. This amount does not even include exemptions which have not been monitored.

So let us review existing exemption laws and replace them for those deserving beneficiaries with direct budget support—so that the whole system will be transparent, accountable, and manageable.

We also have to cure infirmities in tax laws—such as deductions for married couples with joint incomes.

In your last session, this Congress passed laws to strengthen the enforcement powers of our revenue agencies. For these I am truly grateful.

I have ordered both Commissioners of Internal Revenue and of Customs to use these powers to go relentlessly after evaders, smugglers, and dishonest collectors.

I am convinced that citizens will faithfully comply with their tax obligations if there are no free riders on their backs. But because of existing contractual obligations, the payoff from tax reforms may not be sufficient to finance the needs of development. I therefore ask the support of Congress for a new revenue package for urgent enactment. This will widen the tax base and rationalize the existing structure.

Reforms in tax administration must aim to achieve simplicity, uniformity, and efficiency. This is the best way to arrest the present epidemic of tax avoidance and evasion.

Growth cannot take place without some sacrifice from everyone of us. But let us agree that the tax burden must fall heaviest on those who can best bear it.

But we must not tax at levels that will become a drag on the economy. Consequently, I also ask your help to tap other public funds in special and trust accounts, such as those of the Philippine Tourism Authority and the duty-free shop, and make these available for our budget program. The law creating the Central Monetary Authority adds to the heavy demands on scarce fiscal resources that cannot be entirely covered by additional tax revenues.

For our part, we will accelerate sales of public assets and shares in private corporations, and get government out of the business of the private sector. I therefore ask you to extend the life of the committee on privatization and the asset privatization trust, which otherwise will end this year.

I also urge Congress to set guidelines for the Presidential Commission on Good Government in making compromise settlements on ill-gotten wealth cases—on terms fair to the government and only with those who have demonstrated commitment to help in the development of our country.

My vision of a tax system is a broad-based one with just a few exemptions and at rates that yield no premium to tax evasion, where all enterprises and citizens carry their equitable share.

## **5. PROMOTING INVESTMENT**

Congress has acted quickly—and decisively—on the framework for investments.

We now have a real opportunity to secure a fair share of the investments flowing into the ASEAN region. What is important is that we continue to improve our country's attractiveness for investments—by emphasizing our comparative advantage.

## **6. INDUSTRY**

Manufacturing and other industrial activities can proceed with greater vigor as the power situation improves in terms of competitiveness and productivity. We will champion exports as the key to sustainable economic growth.

And we will redouble our efforts to disperse industries to the countryside with emphasis on the small and medium enterprises.

The former military baselands—which were the cause of so much concern on the departure of the U.S. military—have now become attractive sites for economic expansion.

Subic has become one of our brightest areas for foreign investment. Similarly, we have been able to move substantially to transform Clark Air Base and Camp John Hay from calamity areas to growth centers.

## **7. AGRICULTURE AND AGRARIAN REFORM**

We have identified key production areas [KPAs] for specific commodities—areas where not just soil and climate but also markets are most suitable. For example, if we concentrated on growing rice and corn only where they will best grow, with adequate irrigation we can produce as much grain—as we have been producing on 5 million hectares—on only 2 million hectares.

We can then free some 3 million hectares now devoted to marginal rice and corn growing to other uses—to pasture, to aquaculture, and to high-value crops. These efforts in agriculture must be matched by equally resolute efforts at agrarian reform. This reform has been often pledged, but only half-heartedly redeemed.

My administration has stepped up the pace of the CARP implementation. During this first year, we have acquired, distributed and titled some 382,000 hectares, with nearly a quarter of a million farmers benefited. This is 41% of all land titles distributed by the Department of Agrarian Reform during the last 30 years.

But you and I know agrarian reform is more than just the redistribution of land. We have therefore taken decisive steps also to ensure that the land remains productive for farmers. We increased agricultural support services and livelihood assistance to CARP beneficiaries. We encouraged them to organize cooperatives and to take advantage of economies of scale to enhance their productivity.

Last year we launched 257 agrarian reform communities [ARCs] nationwide—with at least one in each congressional district in the countryside—where farmer-beneficiaries can better feel the impact of localized support services in terms of higher incomes.

Our goal is to have 1,000 of these ARCs of progress by 1998. This is not enough, however, for the kind of rural transformation that we seek. We have to conserve agricultural lands. That is why our tax package includes a land conversion tax.

## **8. TOURISM**

In tourism, we are beginning to reap dividends from our efforts to improve the country's image and develop "environment-friendly ecotourism."

Tourist arrivals reached 1.15 million in 1992—up by nearly 200,000 compared to 1991. These generated tourist receipts of some \$1.7 billion, an increase of 30.6% over the previous year's.

Tourism arrangements made with our ASEAN neighbors and new tourism estate development will boost our earnings from this source.

## **9. INFRASTRUCTURE DEVELOPMENT AND ENERGY**

In infrastructure, we have requirements long neglected. Our network of roads, bridges, air and sea ports is grossly overloaded and poorly maintained.

Since the funding for our infrastructure development needs is immense, I propose the amendment of the Build-Operate-Transfer law to encourage greater participation from private capital. Such participation must now be motivated by risk reward for efficiency and without the guarantee of government.

In energy, the dark time is almost over. By year-end, we shall have added 900 megawatts to the Luzon grid. This should—once and for all—put an end to the brownouts in households in Luzon.

By the second half of 1994, we shall have reliable power service for industry.

In the Visayas, power has been adequate, and projects are ongoing to be sure that no deficiency occurs.

In Mindanao, the National Power Corporation has just announced the complete restoration of power normalcy effective today.

In rural electrification, we have energized 94% of all our towns and cities, and 63% of our barangays. But we should strive harder so that more of our countrymen shall have electricity. There are bills in Congress which we support to strengthen the NEA to enable it to carry out its mission better.

We continue to develop geothermal energy—a competitively priced, indigenous, and environment-friendly option. PNOC's additional plants between now and 1998 will increase baseload geothermal capacity by 150%. More geothermal resources must be found. We therefore urge Congress to enact the Geothermal Bill to encourage more exploration.

Our development program in power is indeed designed to provide comprehensively for our industrial future.

### **C. ENVIRONMENT**

In the past, many nations—ours included—tried to attain wealth by withdrawing from their ecological capital. We are all now paying dearly to restore what we took out of our forests in the past.

So while we still can, we must seek growth that does not exploit our country's natural wealth. Thus, we strongly uphold our commitment to the Rio Declaration and Agenda 21—which is the global blueprint for sustainable development.

Over the past year, we banned logging in virgin forests, and restricted harvesting to second-growth timber. We continue to pursue a no-nonsense campaign against illegal loggers.

We strictly enforced the interim guidelines on land use conversion to preserve prime agricultural land.

We initiated the use of low-lead and sulfur-free gasoline.

And we closed down Smokey Mountain while providing alternative livelihood options for its residents.

Nevertheless, we need to provide an environmental protection outlook on old and new problems. We are therefore submitting new codes covering mining, land management, forestry, and fishery. In addition, we need laws to improve solid waste management and to set up a nationwide potable water program for our communities.

### **D. THE QUALITY OF GOVERNMENT**

## **1. THE BUREAUCRACY**

A bureaucracy that is mission-driven, and manned by a well-motivated and innovative workforce, provides the foundation upon which we can pursue our goals vigorously. This is a critical requirement for securing our environment for development—a civil service honest and efficient to facilitate the workings of the free market.

One of my first moves was to issue Memorandum Order No. 27, ordering all departments and agencies to eliminate duplication of functions, achieve greater cost-effectiveness, and rechannel resources to priority projects.

But our efforts have been hampered by multiple barriers to change—which are, ironically, engraved in the civil service law. Although it was not so intended, the civil service law sometimes acts as a brake on efforts at reform.

It is time we addressed this issue together. Give me the authority to reorganize the bureaucracy—and I assure you that we shall achieve the kind of organization required for efficient, effective, and quality administration.

By the same token, let us recognize that an efficient bureaucracy depends on decently paid civil servants. I ask Congress to amend our existing compensation laws—so that government can begin to attract into and retain talent in the service—especially from among our best and brightest.

## **2. ADMINISTRATION OF JUSTICE**

I know you are as concerned as I am about our people's perception of the judiciary. I have said it before and I say it to you again. I have no doubt the majority of our judges are as honest, hardworking, and dedicated as they have solemnly sworn to be. But we cannot permit the erosion of people's faith in the judiciary, which is the indispensable third pillar in our democratic system of government.

The most urgent problem is how to deal with our clogged dockets, with over 300,000 undecided cases in our Regional Trial Courts alone.

And so, instead of just blaming our judges for the delay, let us find practical ways of helping them along. Thus, I urge the passage of laws which will relieve the Supreme Court of the burden of reviewing decisions of certain administrative agencies. Likewise, the jurisdiction of the municipal trial courts can be broadened. And we should also strengthen the barangay justice system and pass the Legal Education Reform bill and the proposal for an academy for judges and prosecutors.

The establishment of this academy is part of our program of professionalizing our prosecution service. One must now pass a qualifying examination as part of the requirements for entry into the national prosecution service. The performance of our prosecutors' field offices is now monitored and evaluated on a quarterly basis.

For a more focused rehabilitation of our prisoners, we are now reviewing a program to regionalize our prison system, which will also free a vast and valuable asset in Muntinlupa.

## **3. LOCAL GOVERNMENT**

The improvement of administration at national level must be matched by a similar advance in local government administration.

The expectations are high in our local communities because more resources, powers and responsibilities have been devolved to local governments. But the objectives of the Local Government Code of 1991 will be realized only with the proper use of these powers by local authorities.

We need to correct the law so that the mismatches in internal revenue allocations and the cost of devolved functions, which have disadvantaged some local government units, will be solved.

Effective governance will depend on the harmony of actions between national and local governments as well as among local governments themselves. Inconsistencies in their respective areas will disrupt day to day affairs of commerce and economic life. Devolved powers have to be exercised judiciously without conflict with national policies. And the use of resources has to be subject to the same discipline of prudence and accountability. The national government will extend assistance in enhancing the management capabilities of local authorities.

## **E. HUMAN RESOURCE DEVELOPMENT**

Development is impossible if it is not people-powered and people-centered. Whenever foreign observers look at our country, their principal wonder is how we have managed to languish in underdevelopment in spite of our tremendous human resources, especially our labor force—their literacy, their competence, their resourcefulness, their high sense of moral values.

It is time we fully harnessed this precious asset to bring about greater productivity and social cohesion.

### **1. POPULATION POLICY**

We have embarked on a clear population policy that recognizes the need to moderate our population growth rate. At 2.3%, it is the highest in our part of the world. This rate of growth impairs our capability to improve our quality of life. It strains both our natural environment and our resources for providing jobs, education, housing, health, and other social services.

Government has committed itself squarely to a family planning program based on choice—and with the goal of bringing down the growth rate to under 2% by 1998.

For this, education and advocacy are our principal tools. And we look to partnership with the private sector and nongovernment organizations in reaching out to our people.

We must achieve an appropriate growth and distribution of our population consistent with sustainable development. We must reduce—and eventually reverse—migration into cities and uplands and thereby check the congestion in our major urban centers and environmental degradation in our uplands.

### **2. EDUCATION**

Ensuring full and unimpeded access by all to both primary and secondary schools is the most effective way of empowering ordinary people.

Education reform must also develop a curriculum strong in science, mathematics, and languages. It must include the enhancement of the conditions of teachers—in both their livelihood and their work.

Vocational education and technical training should keep to their basic purpose, which is to prepare young people for worthwhile jobs, and to teach new technologies that our economy needs.

College- and university-level education should focus on developing competent professionals and on nurturing a culture of scientific excellence.

We will expand the public school network to the rural barangays which are still without public elementary schools, and all municipalities still without any high school, public or private.

All these require fundamental reorientation of our values and a continuing review of our education and training policies.

### **3. HEALTH CARE**

Of all government public services, we have reason to be proud of our National Health Care Program. For several years now, health care stood high in our people's esteem because service delivery is sustained and dedicated. We have moved to improve these services further.

In particular, government has implemented new policies and programs to increase life expectancy by extensive immunization, improved nutrition, and environmental sanitation.

### **4. HOUSING**

We look at the housing problem not only as an opportunity to propel economic activity but more as a challenge to alleviate the sad plight of our people in our slum dwellings.

The challenge is to ensure continued investments in low-cost housing through stable financing and by devising new and imaginative arrangements that will maximize the private sector's role.

I will certify to Congress a bill that makes contributions to Pag-IBIG mandatory beyond a certain salary ceiling and taps other sources for socialized housing. This will help raise funds for the housing effort.

### **F. FOREIGN RELATIONS**

In foreign relations, we too, are striking out in new directions.

The visits I have been making to our neighbors are meant to signal the priority we are giving to ASEAN and the larger Asia-Pacific region.

With the United States, we are entering a new era based on partnership and cooperation—while further strengthening our relationships with Europe and the countries of the Middle East.

Now more than ever, we must place our diplomacy in the service of our economy and our external security.

Our foreign missions have focused on attracting investments, developing export markets, promoting tourism; gathering economic information, and facilitating the inflow of development aid.

In cooperation with our partners in ASEAN, we are promoting confidence-building measures among the claimants to the disputed areas of the South China Sea. And we are taking part in our cooperative arrangements to advance regional security.

In addition to our preferential trade arrangements, we in ASEAN have also come together to give our six countries the economic weight, the cultural variety, the talent pool, the technological resilience, and the attractiveness to investors that we need to become a major player in the world.

### **G. FIGHTING POVERTY**

The central thrust of all our programs is the alleviation of poverty. We must fight poverty in ways that will not merely wait for the economy to develop.

We must make sure that growth is broad-based and socially equitable—that growth leaves no social group behind.

Particularly vulnerable are our marginalized sectors—subsistence farmers and agricultural workers, marginal fishermen, cultural communities, the elderly, the disabled, the street children, the urban underclass of unskilled workers, squatters, and their families.

The economy's return to growth shall by itself help ease poverty. But we shall also be needing focused, targeted, and specific safety nets for these vulnerable groups. We are therefore partial to policies and programs that encourage community organizing to attain self-reliance for the poor communities. And we will match their self-organizing initiatives with more social expenditures, food and education subsidies, rural credit, and livelihood programs.

All of these we should do. We cannot leave our poor to wait for the benefits from economic growth to trickle down to where they are.

## **TOWARD SELF-SUSTAINING GROWTH**

Ladies and gentlemen of Congress:

In closing, let me declare that I do believe we have started creating the conditions for self-sustaining growth. We can end once and for all, by our cooperative efforts, the cycles of boom and bust which have characterized our economic performance.

But this much we must realize: reform will not come easy. Some reforms may bring difficult adjustments and even hardships before they do any good. The most we can do is to ensure that reforms hurt least our most vulnerable social groups.

The ultimate truth is that we cannot afford to fail—in our venture of reform and development. The consequences of failure will be grave.

Radical insurgency should never flare up all over again: These last 18 years, it has already cost us 40,000 dead.

The roots of Philippine rebellion lie deeply buried in the poverty, inequality, and injustice of our social system; in the inefficiency, corruption, indifference, and arrogance of those in power. Again and again, the violence of rebellion has broken out—in leftist insurgencies, military mutinies, and separatist movements. We cannot keep using force and violence to suppress these outbreaks. We must try to recognize their root causes so that we can apply lasting solutions. To do that, we must understand how far rebels are motivated by people's frustrations over their inability to break through the barriers and patterns of oligarchic power that control their lives.

Only then can we redress, once and for all, the imbalance in national society between the few who are rich and the many who are poor. Only then can we make economic growth meaningful to the masses of our people.

We are at a critical hour in our life as a nation. Depending on how we act, our country shall either prosper or falter. Depending on how well we match our words with deeds, our nation shall enter into its second century dragged down by crisis and factionalism—or raised by achievement and pride.

Our history teaches us that the exercise of power must be guided by principle. For power exercised without principle is ruthless, and principle without the exercise of power cannot move our nation forward.

Mga mahal na kababayan, sa tulong at gabay ng ating Panginoon, magsimula na tayong kumilos upang harapin ang dakilang kapalaran na ating inaasam.

Invoking God's blessings, let us move forward and fulfill our destiny.

Mabuhay ang "Philippines 2000!!!"



Mabuhay ang Pilipinas !!!

Maraming salamat sa inyong lahat.

**Fidel V. Ramos, Third State of the Nation Address, July 25, 1994**

**Message  
of  
His Excellency Fidel V. Ramos  
President of the Philippines  
To the Congress  
On the State of the Nation**

[Delivered at the Batasang Pambansa, Quezon City, on July 25, 1994]

**“From Growth to Modernization”**

Sa nakalipas na dalawang taon, malayo na ang ating narating—na magkasama—tungo sa ating nagkakaisang pangarap na mabuting buhay para sa lahat ng mga Pilipino sa pagsapit ng ika-dalawampu’t isang siglo. Ang unang taon ay iniukol natin sa pagsasaayos ng ating kabahayan—ang pagbabalik ng katatagang pampulitika, pagpapalaganap ng pambansang pagkakaisa, at pagpapalakas ng panlipunang pagsasama-sama—na kinakailangan ng pag-angat ng ating ekonomiya. Ang pangalawang taon ay iniukol natin sa pagluluwag ng ekonomiya—pagbubukas nito sa tunggalian, ang pagbibigay ng pantay-pantay na pagkakataon sa mga kalahok sa ating ekonomiya.

Ladies and gentlemen of the Ninth Congress:

Over these two years, we have come a long way—together—towards our shared vision of a better life for Filipinos as we enter the 21st century. The first year we devoted to putting our house in order—to restoring political stability, enhancing national unity, and strengthening social cohesion—as the requisites for economic recovery. The second we devoted to liberalizing the economy—opening it to competition, and leveling the playing field of enterprise. Already we are beginning to enjoy the modest fruits of these first reforms.

- The insurgency no longer exacts the toll of dead and wounded it did over the last 10 years.
- Approved investments over the first semester of 1994 have totaled P240 billion, more than double our expectation for the whole of 1994. Tourist arrivals are growing at 19% on an annualized basis.
- The Philippines has reestablished its credit worthiness with the international financial network as well as regained the confidence of the world’s donor community.

If we began under a smog of skepticism, we have proved to ourselves how much we can do—if only we put our act together and pulled as a national team. Now that we have met our minimum goals, we can look beyond economic growth to the full modernization of our country. Laying the groundwork for modernizing our economy and our political system is the central task of this government and this Congress. And our end-goal must be to secure social equity for the poorest among us, particularly the basic humanities of life: to enable every single Filipino to develop his or her capabilities to their farthest limits.

The record of those first two years is appended to this report, which I submit for the Congressional record. Let me sum up its highlights before I move on to our legislative program for this Third session. First, political stability. To restore civic order was our most pressing commitment. That commitment you and I have redeemed. Armed with reason and goodwill, we are well on our way to a lasting and honorable peace with dissidents and insurgents. All-out war we reserve for criminals, terrorists, and plunderers. We have broken the back of the biggest crime syndicates, dismantled the most notorious armed groups, and effected changes in the leadership and chain of command of our police force to improve its credibility and efficiency. We will not consider this work done until every citizen can feel reasonably safe—at home, in the workplace, and on the streets. Second, the economy. We have begun dismantling the mechanisms of protection and privilege which have hobbled our economy these past 30 years, while also focusing it on exports and global competitiveness. The country now feels a surge towards growth that is fully supported by such indicators as low interest rates, single-digit inflation, a stable peso, sufficient foreign exchange

reserves, rising investments, and the vigorous development of growth centers nationwide. Our GNP grew at the rate of 4.8% in the first quarter of 1994, and we are confident it will hit 5% this year.

Thanks to the statesmanship of this legislature, we in the executive branch were able—under a grant of temporary emergency powers—to end last year’s energy crisis. Through innovations like the “build-operate-transfer” [BOT] schemes, we are better able to rebuild our long-neglected infrastructure. We upgraded our science and technology manpower capability. By 1998, we shall produce around 3,000 competent scientists and engineers. We have also established two additional Philippine Science High Schools in Visayas and Mindanao. We will continue to fast-track the improvement of science and technology foundations of young Filipinos. Already these efforts have begun to pay off: not only in higher GNP growth and increased productive activities in the countryside, but—what is more important—in restoring to ordinary Filipinos the sense that life can truly become better, for themselves and their children. Third, the environment. Here our guiding principle is that future generations should not have to pay for the needs of the present. We intend to leave this Philippine spot on Earth cleaner and greener than we found it. Out of Smokey Mountain and Payatas—notorious symbols of our environmental degradation—will eventually rise new greenery, and new lives.

Fourth, social reform. In poverty alleviation, we have moved away from the old “trickle down” policies to “positive bias” for our poorest provinces and the numerous pockets of poverty that are to be found even in our richest cities. Our object is to help the poorest of our poor help themselves by expanding their access to health care, basic education, decent housing, credit, jobs; and by raising their productivity in their traditional occupations. The “Kabuhayan 2000” program alone should create 2 million jobs all over the archipelago these next two years. In land reform, we shall have redistributed, by the end of this year, more than 800,000 hectares of land. That is as much as the previous administration distributed in six years, and 12 times the hectareage the Marcos regime distributed in 14 years. Fifth, the bureaucracy. In our efforts to streamline the civil service—to improve the quality and speed up the delivery of public services—we have started right at the top: in my own office.

Sixth, foreign relations. Our country’s emergence from under America’s wings has given us Filipinos the chance—after centuries of colonial passiveness—to make our own history. We are renewing and expanding our contacts and friendships—in East Asia and North America—so that we can once again become attractive to foreign investment, trade, and tourism. I shall be visiting Western Europe in September to promote our trade, tourism, and investment programs in the European Union. The message I carry wherever I travel abroad is clear and simple: The Philippines is back in business in the heart of the world’s fastest-growing region. And we have committed ourselves unequivocally to ASEAN and its ideal of open regionalism. Together with our immediate neighbors and partners, we are building the regional architecture for our vision of a peaceful, neutral, and nuclear-free Southeast Asia.

How did we accomplish all of these things? We were able to do what we did—not by emphasizing ideology, but by seeking consensus and taking actions. Not by setting people apart, but by bringing them together. Not by charisma, but by quiet competence and patience, patience, patience. The lesson to us is clear: Without hard work, there are no miracles. We must perform as we pray, and pray as we perform.

Even as we consolidate our gains, we can now look toward the full modernization of our country. Three modernizations we must achieve: First, modernization of the economy—increasing productivity and competitiveness. Second, modernization of our politics—making people empowerment work in place of political patronage. Third, social reform—modernization of the Filipino family and the national community. We must prepare our economy for the new trading order ordained by the Uruguay round of the General Agreement on Tariffs and Trade. Our survival in the evolving World Trade Organization will depend on how competitive our export industries can become. In politics, our task is to raise the national capacity of the state. Power must come not from force but from legitimacy. People power must be put to work productively. This I have always believed: We can develop as a working democracy—and not in spite of it. The electoral process we need to focus not on patronage and personalities but on public policies. And we must see to it every citizen develops as great a care for his civic duties as for his civic rights. In social reform, we must never forget we seek growth not for its own sake but only as a means to enlarge each citizen’s enjoyment of the benefits of our democracy, because no amount of growth will mean anything—unless it improves the lot of the common tao. The key reform is to give the ordinary Filipino an inherent stake in our system—the chance to own and manage an honest livelihood and to win his own future.

Let me now take up our tasks of modernization in more detail. The first modernization is that of the economy—to make it more productive; to make it competitive in the world; and to make room for the small- and middle-sized industries which are the building blocks of economic democracy. Export orientation is the only way to self-sustaining growth in our time—whose controlling element is an emergent global economy. In the first five months of this year, our exports reached \$5 billion at a growth rate of 16.1%. This growth rate is expected to further increase in the years ahead. Protectionism for us had produced only retarded “infant industries” and a generation of political entrepreneurs who fattened on unearned income from tariff barriers, tax holidays, import licenses, and behest loans. Thus, both self-interest and international commitments compel us to turn our economy outward—toward participation in humankind’s shared adventure of development.

We signed the Uruguay Round of Agreements to improve our market access to the rich countries and to qualify for special treatment in world trade. The reduction worldwide of both tariff and nontariff barriers should benefit initially our exports of agricultural products, as well as of textiles and garments. In return, we commit ourselves to bringing down in a calibrated manner the barriers we have set up against the import of specific agricultural and meat products.

We have taken the following initial steps to improve our export competitiveness:

- Through the Monetary Board, we are easing exporters’ credits by lowering reserve requirements; liberalizing outward dollar investments, and widening exporters’ access to loans from the foreign currency deposit units of banks.
- The Export Development Council I have asked to implement strategies and programs to enhance productivity in export industries.

I have already reduced import duties on a long list of capital equipment our export industries need.

All the bills proposed by our cabinet clusters are listed in the annex to this address. Nearly half of them were previously certified as administration bills at the 1993-1994 session year. Others were agreed on at our first social pact of September 1993. I realize you may not have the time to decide on every one of them. We submit them all, nevertheless, as an indication of our priorities and concerns in the executive branch—while also indicating the ones which are, in our view, most urgent. The Public Works Act and the anti-pilferage of electricity measure which are in bicameral conference committee should now be acted on including the Magna Carta for Exporters which was earlier passed by the House and now on second reading in the Senate. In agri-industrial development, we place the highest priority on the bill on high-value crops, the mining and environment codes, and the House bill awarding protection to the ancestral domains of our cultural communities. In other areas of the macroeconomy and finance, we propose various bills to simplify our tax and tariff structures, enhance the investment climate, encourage the flow of credit to our rural areas, and promote long-term savings.

Our whole tariff structure, we mean to rationalize—to remove distortions brought about by differentiated rates, which have worked only to protect inefficient industries and penalize exports. We will continue, if not accelerate, the program to reduce tariffs until these reach one uniform rate. Simplifying and bringing down the tariff level is the best way to stop smuggling and corruption at the Bureau of Customs. We also need to recast our laws on trusts, monopolies, oligopolies, cartels, and combinations injurious to public welfare—to restore competition where it has disappeared, and to preserve it where it still exists. In a word, we need to perpetuate competition as a system to regulate the economy and achieve global product quality. To carry on structural reforms, level the playing field, and dismantle monopolies and cartels, we seek the urgent passage of various bills. These include the anti-racketeering and anti-trust/anti-monopoly bills already with you.

To improve government’s capability to provide adequate services and infrastructure for the economy, we seek an amendment to the Public Transport Service Law—last revised in 1952—to rid it of its restrictive regulatory framework and to foster a new competitiveness in our land, water, and air transport industries. Efficient transport must complement our breakthroughs in the telecom industry which has served to link our archipelago more closely by high-tech means. In energy development, we seek your authority to increase the capitalization of the National

Electrification Administration [NEA], and develop geothermal energy fields. We must create indigenous power reserves to serve our expanding economy.

The second modernization is about politics and governance. Ultimately, modernization is about good government. If we are to improve the quality of our national life, we must first improve the quality of our governance. In our part of the world, the economic success of less-than-democratic societies is being used to cast doubt on the prospects of countries like ours, which seek to modernize as functional democracies. We have already given our reply to this false wisdom. But we cannot neglect the core of the authoritarian challenge. We must prove democratic government is not necessarily inefficient and ineffectual. We have gained much headway in preventing constitutional gridlock and in legislating reform. But we have not yet achieved the level of political will and national capacity that enable a nation to transform its dream of modernization into reality. The true measure of national capacity is neither the size of a country's army, nor the way power is centralized in one man or group of men. It is how effective political institutions are at solving problems, mediating conflicts, carrying out policies, and implementing programs for the people's welfare. To this end, we seek approval of bills to modernize the armed forces and the national police.

If, in the economy, we speak of the physical infrastructures for development, so in our political life, we must lay the administrative infrastructure for effective government. Of this infrastructure, no element is more important than the bureaucracy. Let me be the first to say it: We are not getting the full worth of every peso we spend on each government agency. But, then, we cannot make the bureaucracy do better just by scolding it—as we are often inclined to do. Ladies and gentlemen of Congress: I ask you again: Give me the authority to reorganize the executive branch, or significant portions of it such as the Metro Manila Authority [MMA], so that it can become the efficient administrator of our public life that it is meant to be. I fully support our local government units [LGUs] in their untiring efforts to deliver basic services despite financial difficulties. We are committed to bring to completion and full implementation the Local Government Code of 1991. I shall certify as urgent the bill that intends to allocate internal revenues more equitably to LGUs.

I take this opportunity to express my appreciation to the Supreme Court for its statesman-like handling of recent “hot” issues. Just as the country longs for administrative efficiency, so I feel it welcomes judicial statesmanship. We all know how major projects have escalated in costs—or even abandoned—because of lawsuits by rivals or critics. Judicial review of executive or legislative action is a basic legal and constitutional recourse. But the guiding principle for all—the legislative, the judicial, and the executive branches—should be to act expeditiously to avoid unwarranted delays which cost money and result in lost opportunities.

Step by step, we can make government more and more effective. I commend to this Congress the electoral reforms proposed by the Commission on Elections [COMELEC]. Said electoral reforms seek to modernize the entire electoral process, to include extending the mechanisms for voting of those absent from their voting centers by availing of the new electronic technology to contain electoral fraud; to speed up voting, counting, and canvassing; and especially to severely punish election terrorism. Our democracy is far from perfect, but it works well enough for us to be able to move it away from the politics of patronage, guns, goons, and gold.

The third—and most important—modernization we must accomplish is to bridge the gap between the few who are well-to-do and the many who are poor. Equality cannot wait until after the economic pie has grown much bigger because gross inequality by itself enables the powerful few to override the interests of the powerless majority in the making of public policy. Contemporary history teaches us that, in countries with vast income inequalities (as in parts of Latin America), substantial growth can take place—for prolonged periods—without easing mass poverty or liberalizing the political system. In East Asia, by contrast, sustained economic growth was typically preceded by some social leveling—through land reform, health care, and basic education—which released people's energies for the national drive to development. Growth with equity is the kind of development to which we aspire.

Our social reform agenda is a systematic, comprehensive, and coordinated package of initiatives that addresses the minimum basic needs of the Filipino poor. This agenda was defined not by government alone, but in consultation with the social sectors adversely affected. Our agenda has both a geographical and a sectoral focus. It zeroes in on our 19 poorest provinces, which have historically received less than their due in government attention.

Ang ating repormang panlipunan rin ay nakatuon para sa mga partikular na grupo ng mga mahihirap na mamamayan. Dahil sila ay hindi iisang uri, ang antas ng kanilang pangangailangan ay nagkakaiba rin. Kaya't ang mga tugon sa kanilang kalagayan ay dapat lamang na kaagad nilang madama at upang maging angkop ay maaaring magpamalas ng panibagong kakayahan. Ang aking tinutukoy ay ang mga magsasaka at iba pang manggagawa sa bukid, ang ating mga mangingisda, ang ating mga katutubong Pilipino, ang ating mga maralitang taga-lungsod, ang ating mga manggagawa na kulang sa pormal na kaalaman, mga kababaihan at iba pang sektor na nangangailangan ng tulong: mga kabataan, mga may kapansanan, mga matatanda, at mga biktima ng kalamidad.

It will also focus on specific groups of the Filipino poor. Because the Filipino poor are not homogeneous, the nature and degree of their needs are diverse. Thus, the solutions to their predicament must also be direct and creative. I refer to our landless farmers and rural workers; our coastal fishermen; our indigenous cultural communities; our urban poor; our unskilled workers, especially in the informal sector; and other disadvantaged groups: women, vulnerable young people, the disabled, the elderly, and victims of calamities.

After consultations with all these sectors, we have determined the need for three basic types of intervention. The first is to give the poor access to quality basic services—the very imperatives of survival for people living on the margin. The flagship programs under this agenda include socialized housing for the urban poor. The second is to give the poor better means to earn their own living. Priority programs under this agenda include intensified implementation of agrarian reform and a sustained “credit for the poor” effort. The third major item on our social reform agenda is a package of programs that will enable ordinary Filipinos to take part effectively in decision-making processes that directly affect their interests and their welfare. This includes a comprehensive and integrated shelter and urban development financing act, the setting up of a national health insurance system and a policy for intelligent population management. This agenda shall encourage the formation of people’s organizations, the strengthening of cooperatives, and the push to carry out local government code provisions on sectoral representation. It includes the grant of absentee voting rights to overseas workers.

The last item in my report to this Congress concerns the costs of modernization. The 1995 budget complements our objectives of consolidating our economic and political gains and deepening social reform. Our proposed expenditure of P384.7 billion is only 6.4% bigger than the budget you approved for 1994—just about enough to account for inflation. Yet we propose to spend 14% more than we did last year for social services. We are increasing investments in our flagship infrastructure programs as well as in “human priorities”—primary health care, basic education, safe drinking water, environmental sanitation, as well as family planning and nutrition programs. We shall also be spreading safety nets for those social sectors disadvantaged by economic restructuring. Fully 27.8% of the new budget will be spent on social services. Our eventual target expenditure for these human priorities is 5% of GNP. From a crippling 42% of the whole budget in 1986, we expect debt service to drop to 28.7% in 1995. In spite of the Central Bank debt and the continued borrowings made by the National Power Corporation, we hope to bring down the public sector deficit from 2.2% to just 1% of GNP. This greatly reduced public sector deficit is possible because the proposed budget of the national government for 1995 which I am submitting today aims to generate a surplus of ₱15.5 billion. Our children should not pay for what we now enjoy, rather, they should enjoy what we now pay for.

We are enforcing belt-tightening and rigid fiscal controls everywhere in the executive branch—including our public corporations—because we realize how precarious and fragile our economic recovery still is. You and I know development exacts a price—which all those who seek it must pay. That price we Filipinos have paid only reluctantly. Our current tax effort—14.7% of GNP, compared to the 18% average for ASEAN countries (Malaysia is at 22%)—is totally inadequate for paying the costs of development. In 1995, we intend to raise the tax effort to at least 17% of GNP. Without a stable revenue base, the Philippine state will remain weak and dependent. And for as long as our structural problems persist, we shall remain vulnerable to outside pressures and external political and economic shocks. You and I know there is no free lunch in the world out there—just as there is no freedom for the weak. Taxes are a necessary burden citizens must carry, and the best that government can do is to see to it the burden falls heaviest on those who can best bear it. Yet this judicious spreading of the burden, government in our country has not even been able to ensure. The Filipino middle class—and the poor—actually bear disproportionately the burden of paying for public administration. And, ironically, it is also they who suffer most grievously from the lack of basic social services which has substantially resulted from the very high rate of tax evasion by the powerful and influential.

This government is sworn to simplify our tax system, broaden its base, lower its rate, and make it more progressive. The system we propose is also economically efficient—and socially equitable. In the past, tax reform had largely been patchwork—meant only to plug the perennial fiscal deficit. As we move towards the 21st century, we need to establish a progressive tax system capable of consistently meeting the costs of development and modernization. Government also owes conscientious taxpayers the duty of prosecuting tax frauds and tax evaders—all those who seek a free ride on the public good without contributing to its provision. We will be especially severe on tax evasion by the powerful and the freeloaders—and on corruption among our tax functionaries. In exchange for lower overall rates, we propose to minimize the discretion of taxpayers and tax examiners.

The newly expanded value-added tax is meant to be a vital part of our tax reform package. It is designed to be more equitable, and easier to enforce, compared to the complex of 73—yes, 73—sales taxes it replaces. Those who propose to “kill VAT” denounce it as unfair and unjust. But, from government’s side of the fence, its main oppositors are mostly individuals of means who seek to evade their rightful share of the tax burden.

Ladies and gentlemen of the Ninth Congress: How then should we resolve this dilemma of development—of finding the money to invest in our country’s future? We must first of all resist the populist pressures being generated within our paternalistic political culture which looks at government as the exclusive source of goodies in our society—lest our representative system degenerate into what Peter Drucker calls “the pork-barrel state.” Thus, I think we should all get together quietly—you in Congress; we in the executive branch; with representatives of business and industry, the professions, labor, and the peasantry; as well as the churches, academe, media, nongovernment organizations [NGOs], people’s organizations [POs], and consumers—to reach a consensus on paying the unavoidable costs of development.

I shall be calling a second social pact—to bring together all those who oppose the expanded VAT law and those who are for it—to discuss comprehensive and progressive tax reforms—openly, frankly, and I hope, with civility—so we can jointly agree on where the resources to pay for community development and nation building are to come from. Together let us explore every possibility of where to find this money—whether by paring government to the bone, raising the penalties and punishments for tax evasion, privatizing public corporations and other assets, cutting your countryside development funds, or a combination of all these painful options—but let us together find the money to pay our way to progress.

Now to sum up: ladies and gentlemen of the Ninth Congress: These, then, are the civic tasks for which we need your expertise, your industry, and your dedication. Our end-goal must be to lay the groundwork for the Philippines to become a thoroughly modern country, at peace with itself and with its neighbors, and where the least among our people have the decent minimum of material goods to realize the full possibilities of their lives. For a brief period in the early 1950s, the Philippines was second only to Japan in the vigor of its economy. and at an earlier time—now almost exactly a hundred years ago—we Filipinos had also proclaimed East Asia’s first Free Republic. Today we are struggling to catch up with our vigorous neighbors in economic and technological growth. But, perhaps, we are more than abreast of them in one key component of modernization. We Filipinos have already won our democratic revolution. History has made our culture of freedom proof against tyranny. Of course, freedom by itself does not bring about progress. But it provides the most enduring foundation stone for the good society we are trying to build—for ourselves and for those who will come after us. To lay that foundation and to move the country forward to sustainable development are the primary goals of my government. We face this task with optimism—confident we can bring the economy to takeoff, and complete a profound reform of the Philippine State—raising its political will, increasing its national capacity, and strengthening its social cohesion—before the dawn of the new century.

Ladies and gentlemen of the Ninth Congress: These past two years we together have achieved a great deal—in restoring political stability, in turning on the lights once again in our homes and factories, and in returning the economy to the path of growth. But surely, my beloved countrymen, our greatest achievement has been to restore our faith in ourselves, and in what we can do together as a national team. I have always believed we Filipinos are hardest on ourselves: We tend to dwell on our weaknesses, rather than build on our strengths. Perhaps it is because the kind of democracy we have known—for the better part of this century—has emphasized the individual over the community, private gain over the public good, and civic rights over civic duties. But, in truth, the concept of civic duty is the core of the historic tradition of democracy everywhere. If we as a nation are to endure, we must return to this self-discipline of democracy. As individuals and as a national community, we must embrace this principle of

civic duty. Only by so doing can we attain the good society our revolutionary generation of a century ago had placed almost within our reach. The momentum of our economic takeoff must be fueled by every Filipino's ardent desire to see our beloved Philippines returned to her rightful place in the community of progressive nations by the time of the centennial of our independence in 1998. I like to believe these past two years have brought out the best in us. We refused to be intimidated by the power crisis, natural calamities, and new challenges. Instead, we drew on our deepest reserves of spiritual strength, not only to survive and get by, but also—as I said two years ago—to win the future. Finally, my beloved countrymen, the future is dawning upon us.

Naniniwala ako na tayo ay nagpamalas ng ating kahusayan nitong dalawang taong nakaraan. Hindi tayo pumayag na humina ang ating loob dahil sa mga kagipitang ating dinanas—sa kakulangan ng kuryente, sa mga kalamidad, at mga bagong hamon. Sa halip ay humugot tayo mula sa nakalaan nating lakas na espiritwal, hindi lamang upang tayo ay makalampas sa kahirapan kung hindi—tulad ng sinabi ko noon—upang makamit natin ang magandang kinabukasan. Sa wakas, mga minamahal kong kababayan, ang magandang bukas na yaon ay unti-unting sumusikat na sa ating bayan.

Mabuhay ang Pilipinas!

Salamat sa inyong lahat.



**Fidel V. Ramos, Fourth State of the Nation Address, July 24, 1995**

**Message  
of  
His Excellency Fidel V. Ramos  
President of the Philippines  
To the Congress  
On the State of the Nation**

[Delivered at the Batasang Pambansa, Quezon City, on July 24, 1995]

**“The Best is Soon to Come”**

Mr. Senate President; Mr. Speaker; distinguished members of Congress:

Ang pag-unlad sa alinmang bagay—upang makamtan—dapat ay may sapat na puhunan. Ang ilan dito ay ang taos-pusong pagsisikap, tiyaga, at pakikipagtulungan. Noong lumipas na panahon, hindi natumbasan ang kinakailangang puhunan upang mapaulad ang buong Pilipinas.

Development—we are often told—has a price that must be paid by those who want it. In the past, because we had been unwilling to pay that price, our nation could only falter and decline. Today we are a more capable people—and a more capable country because these past three years. We have paid a substantial down payment on development. The reforms we have dared to carry out; the hardships we have endured; the gains we have won—all these will reap benefits of progress.

Again and again, over these three years, we have shown ourselves—and the world—that the Filipino can succeed in the struggle for development, carry ambitious programs to their conclusion, and succeed, not by taking the authoritarian road but by democratic consensus and collective effort. The story of our turnaround I have detailed in an accompanying technical report, which I submit for the Congressional record. I also submit today the proposed 1996 General Appropriations Act with my budget message. The budget we see as our country's bridge to the 21st century. In preparing it, we were guided by two things: First, that the only way to deal with limited resources is to have infinite resourcefulness. Second, our concern is not just to count every peso but to make every peso count.

Our economy is growing. This time, growth is driven by investment and exports, not by consumer spending. Inflation we have kept at single-digit levels and interest rates are decreasing. And for a change, we see the peso rise instead of decline. Political stability underpins our turnaround. We held two successful elections these past three years—proving Philippine democracy is no longer fragile as it once was. And we have gone some way in placing the common tao at the center of our development efforts—both as agent and as beneficiary. We have made diplomacy a tool for development. We are riding the wave of globalization—and winning for ourselves a place of respect in the family of nations.

Yet, these are only foundations to build on. Our work is far from over. The suspension of civil conflicts is not peace. The containment of crime is not order. Two years of growth do not add up to modernization. And the free-market economy does not necessarily work like the rising tide which equally lifts all boats.

Over these next three years, we have six major tasks:

- One: We must adapt to the competitive world economy.
- Two: We must reform our electoral system to cut down the power of money politics and to bring together, in the words of Pope John Paul II, “the realms of private conscience and of public conduct.”
- Three: We must stamp out criminality—and its associated evils—corruption in the bureaucracy and police, and laxity in the justice system.
- Four: We must prevent poverty from perpetuating itself.

- Five: We must acquire the capability and self-reliance to account for ourselves in the world.
- Six: We must raise the quality and integrity of our governance because only the competent and responsible exercise of authority can bring about our country's modernization. Let me elaborate on these top priority tasks.

The continued expansion and modernization of the economy must be our primordial concern. This early we must ask ourselves: Can we catch up—and then keep in step—with our vigorous neighbors? If we fail to adapt to new economic realities, we will lag even farther behind. Worse, we may fritter away the gains we have already won. How then do we squarely face this challenge? How do we stay on track and accelerate our advance? God helps those who help themselves. Our economic turnaround is an achievement created—with God's help—by our people's labor and will. All that government can justly claim is that it has begun to create the environment in which business can flourish, and workers can create wealth, and secure for themselves a just share of it. We must press on with deregulation and liberalization and bring down the last of our self-imposed barriers to economic growth left over from the age of protectionism.

The other day, I issued Executive Order no. 264 promulgating a tariff reduction program that accelerates our economy's outward orientation. Now I propose this Congress repeal the remaining laws—some enacted almost half a century ago—that still limit economic growth and deny consumers access to quality goods at lower prices. For example, in retail trade, the restriction designed (in 1954) to protect Filipino businessmen from non-Filipino competitors had long been overtaken by events. The once-alien competitors have all become fellow Filipinos. Yet, the old law ironically protects them from potential competition from the outside—to the prejudice of our consumers. Five other laws that should have been repealed or amended long ago include the Investment Company Act of 1960, which contains a provision requiring all directors of investment companies to be citizens (although, strangely enough, the same law does not restrict foreign equity in these companies). For 35 years, this restrictive provision of law has prevented foreign investors from establishing mutual funds in our country. With the lifting of foreign exchange controls, the Uniform Currency Act of 1950 should now be repealed to allow a free market in international financial and trading transactions. I also ask Congress to repeal the minimum capital requirements for foreign investors in wholesale and export enterprises under negative list “b”, and to delete entirely negative list “c” of the Foreign Investments Act of 1991. I further ask Congress to amend the Financing Company Act of 1969 and the Investment Houses Act of 1973 to allow unrestricted foreign investment in finance companies and investment houses. Moreover, we must take the necessary steps now to ensure the rapid development and expansion of our domestic capital market.

With this further economic liberalization, Metro Manila can now compete to become a financial and trading center in Southeast Asia and our archipelago can aspire to become a landmark in the borderless world of the future. Let us not delude ourselves: It is a brutally competitive economic order emerging out there. Many lean and hungry peoples are being integrated into the global economy. Competition is particularly fierce for trade and investments. And the countries most likely to capture these investments are those that set out the appropriate policies. We are fully committed to meet our commitments under the World Trade Organization [WTO], including the upholding of intellectual property rights in accordance with international conventions.

Ultimately, the pace of growth will depend on how solidly we build our platform for takeoff. That platform will be stable only if it is built on the rock of peace, civil order, and social harmony. This is why we have offered peace with honor to the military rebels, radical insurgents, and southern secessionists. We knew from the start the road to peace would be long and hard. But the alternative of bloody conflict and terrorism is worse. The initial successes of our peace initiatives are evident—the chairman of the Moro National Liberation Front [MNLF] campaigning peaceably in our southern provinces for a Muslim autonomous region—and the commander of the military rebels now belonging to this August body as an elected senator of the Republic.

Ladies and gentlemen of Congress: If the peace process is to be a test of government's patience and forbearance, then I assure you we have patience and forbearance enough—and above all, the will to forge a just settlement that will endure. And if it is to be a test of our courage and steadfastness, why then, we have that courage and steadfastness, also!

In our pilgrimage for peace, you can count on government to walk the extra mile. But with the misguided few among our countrymen who have associated themselves with international terrorism, we will be much less patient and definitely more firm. Political fanatics no one can reach through reason and compromise. This is why I ask this Congress to pass an Anti-Terrorism Act, which defines terrorism as a heinous crime and penalizes it with life imprisonment or death. On still another front—in our war on criminality—we will be just as unrelenting. Crimes against women and children are particularly abominable. I ask this Congress to pass without delay bills which impose harsh penalties for rape and for child prostitution, pedophilia, and child pornography. You and I know criminality coexists with and is emboldened by corruption in the bureaucracy, especially in the police. This is why we have undertaken—once again—a comprehensive reform and reorganization of the national police. As we continue to rid the Philippine National Police [PNP] of misfits, we must strengthen the hand and improve the lot of those who bear the burden of protecting us in our homes, in the streets, and in our workplaces. I ask this Congress for the early passage of the PNP Modernization Bill and the amendments to Republic Act no. 6975. This will enable the PNP to further professionalize, upgrade salary and other benefits, acquire adequate communications and transport systems, and set up state-of-the-art crime laboratories. These measures must be complemented by your passage of the Crime-Control Act of 1995, which will harmonize the operations of our law enforcement agencies, particularly our campaign against loose firearms, private armed groups, and criminal syndicates.

We also need to raise the efficiency—and safeguard the integrity—of our judicial system. The executive and the judiciary have found the courage to cooperate—to reform the criminal justice system—through a recently established National Council on the Administration of Justice [NCAJ]. Congress has already done a great deal to help along this process by setting up a fund estimated at P2.0 billion for reforms in the judicial and prosecution service.

Even as we seek peace and justice for all, we must reassure our people that our political system works, and give them a stronger voice in the affairs of our nation. But this, our people cannot have—unless we change the mainspring of political power in this country from money, influence, and patronage to talent and merit. The most urgent measures are to

- clean up the electoral system, so citizens can be sure that their votes are counted;
- open the positions of political power to all who aspire and are willing to compete; and
- ensure that the wielders of power are accountable to the electorate.

Our difficulty in achieving political reform arises not only from the lack of enabling laws but also from the weight of our traditional culture of “palakasan” and “palusutan.” Most of the rich and powerful still demand—and often receive—preferential treatment in the transactions of daily life—beginning with exemption from traffic rules to tariff walls for their monopolies. This focus on special privilege and special treatment we must remove from our culture. We cannot enter the 21st century with one foot stuck in the feudal era. As we speak of a “culture of excellence,” so must we cultivate a “culture of responsibility and accountability.”

Those who deride our economic performance and social programs as not having improved the lives of the poorest Filipinos use one of the oldest logic tricks in the book—building a straw man only to knock it down. Growth in a free-market economy favors the better-endowed regions, and the better-equipped segments of the economy—but only initially. As is well known, the long march to prosperity is measured in years and even decades. It is a journey we Filipinos have barely begun, although we can take comfort in the thought that each step taken brings us closer to our goal. But because the poor cannot wait—because, in Gabriela mistral’s phrase, the child’s name is today—we have intervened to put poverty alleviation at the center of government’s concerns. We reject the “trickle-down” approach. Our social reform agenda focuses directly upon the 19 poorest provinces and on specific sectors who are the poorest of the poor.

We are a long way from wiping out poverty. Right now, our more realistic goal is to prevent poverty from perpetuating itself. Our war against poverty must be fought by a strong army of citizens. We must mobilize not only government but the entire citizenry on the rallying cry of self-help and self-reliance. All hands—not just government’s—are needed to win this war. The impetus for any winning strategy should come from below—by

harnessing the energies of the poor themselves. Thus, our approach to eradicate poverty is founded on three major interventions:

- One: We need to build up the absorptive capacity of the poor by enhancing the capability of nongovernmental organizations [NGOs] and people's organizations [POs]—such as cooperatives, livelihood associations, and self-help groupings—that are dedicated to them. I ask Congress to formulate innovative ways to provide resources for training, organizational development, and capacity building of NGOs and people's organizations focused on poverty alleviation. We have allotted P74 billion in the 1996 budget for our social reform program.
- Two: We need to improve our mobilization of financial resources—raised both here at home and from official development assistance—that are meant for the exclusive use of the poorest sectors.
- Three: We need to synergize, consolidate, and streamline all of government's strategies, programs, and agencies that address poverty alleviation into a more focused and better coordinated collective effort that reaches down to barangay level. We do, however, realize that the ultimate solution to poverty is providing enough productive and remunerative jobs and livelihood to our people. On my instruction, the National Economic Development Authority [NEDA] and Department of Labor and Employment [DOLE] are currently working with representatives of Congress on a comprehensive employment strategy, to create one million jobs a year and reduce unemployment to 6.5% by 1998.

As we pursue our economic development efforts, we will also improve the delivery and coverage of basic services to provide the minimum basic needs of our people—water services, electricity, housing, jobs, and livelihood opportunities, credit support, among others. We will further accelerate easy credit support for small- and medium-scale enterprises [SMEs] even as our financial institutions have provided some P47 billion worth of credit to them over the past two years or about three times more than the previous 10-year period. Our legislative agenda also includes urgent proposals for increasing family income and enhancing the welfare of our farmers, fisherfolk, industrial workers, and urban poor. We seek legislation to improve the urban poor's easier access to decent and affordable housing. And I ask this Congress to continue its predecessor's work of setting the framework of agrarian reform and modernizing agriculture—as the foundation of industrialization and sustainable, broad-based development. I ask you to give maximum legislative support towards the increase of the Agrarian Reform Fund, and to pass the Irrigation Crisis Act, if we are to make our small farmers competitive in the world. Furthermore, I urge Congress not to pass any legislation exempting more lands from the coverage of agrarian reform. I also ask Congress to pass the Fisheries Code, a law long delayed and eagerly awaited by our fisherfolks. We must also reach out to our indigenous peoples, so they can take part in our communal effort at development without losing their cultural identity. I ask this Congress to establish a Cordillera Consultative Commission to pave the way for a Cordillera Autonomous Region, and to pass the bill on ancestral domain, so that we can respond to our indigenous peoples' clamor for the recognition of their ancestral lands. Our Muslim communities we must bring faster into the nation's mainstream by providing a greater share of the resources for infrastructure and human resource development. On environmental protection, I ask this Congress to enact the proposed codes on forestry, the environment and land use. We must institutionalize our common conviction that nature is not something to be abused—but God's blessing to be enhanced. God intended man to live in harmony with nature—not to ravage it. But protecting nature and fighting pollution starts with the citizenry—by keeping our homes, premises, and communities clean and green.

Our foreign policy today rests on three pillars: political security, economic diplomacy, and protection of Filipinos overseas. In recent weeks, I have ordered policy and procedural reforms to all government agencies and foreign missions concerned so that we can respond more promptly, adequately, and effectively to the concerns, problems, and difficulties of our new heroes—our overseas workers, of whom there are 4 million. Our “diplomacy for development” has brought dividends in trade, investments—and goodwill—while renewing our friendships in the world. We initiated Southeast Asia's newest growth quadrangle—the East ASEAN Growth Area [EAGA]. As a founding member of the World Trade Organization, an urgent task of Congress is to further harmonize our trade, investment, agricultural, and industrial policies with our commitments under the Uruguay Round Agreement. This year we chair the Group of 77 consisting of 135 nations and we have a key role in the Non-Aligned Movement [NAM]. Next year, we shall host the leaders' summit of Asia-Pacific Economic Cooperation [APEC], at which venue, we will continue to champion the development of the human resources of our 18-member economies, believing that every economy should make human beings the center of its concerns.

The Armed Forces Modernization Program enacted by the Ninth Congress enables us to improve our capability to defend our national territory, and to enhance our influence in promoting regional security cooperation. In undertaking the program, self-reliance will continue to be our guiding principle. This we will push to new heights by matching research with technology upgrading and production expansion in-country. But far more than merely acquiring or installing the latest equipment, the development of our human resources is the most meaningful component of our defense modernization. We need dedicated soldiers and highly trained, forward-looking men and women in the ladder of command.

Our relations with the United States, we must place on an even keel—on the basis of “trade, not aid”—removing the residual bitterness of her departure from Philippine bases. On our dispute with China over Mischief Reef and the conflicting claims on the South China Sea, we have worked consistently to prevent this issue from breaking out into open conflict, while proving to the world that we are prepared to defend our borders. In recent weeks, our diplomats have pushed for consensus on a code of conduct in the South China Sea that all claimants will respect. In Japan, far-reaching economic changes seem imminent, which should further open its markets to our products and bring a fresh wave of Japanese investments into our country. In Southeast Asia, recent events carry forward our hopes for the eventual integration of its 10 countries. Vietnam is poised to become a member of ASEAN. Laos is already an ASEAN observer country. Cambodia has acceded to the Treaty of Amity and Cooperation in Southeast Asia. And with the encouraging developments in Myanmar, we hope it too would soon be drawn into the ASEAN process. Together with our friends in the world, we must work for the reform of the United Nations system—to make it a more effective instrument for multilateral peacekeeping. We seek the Senate’s concurrence on various treaties—all aimed at enhancing our economic, social, political, technological, and cultural contacts in the global community.

Finally, let me say a few words about the importance of good governance which is the foundation of sustained development. We have turned around precisely because we first put the house of government in order, and created a better climate for cooperation between the legislative and executive branches. I cannot overemphasize our need to improve government’s capacity and effectiveness. Our ultimate object is to assert the rule of law—to replace privilege with effectiveness, and establish the social cohesion and legal equality that characterize a working democracy.

The Ninth Congress passed into history without acting on the bill on emergency powers to streamline the entire executive branch. I trust this Tenth Congress will have the will to do so. Management teachers remind us that there is a difference between efficiency and effectiveness. The public agency and the public servant can be efficient for as long as they fulfill their mandate within the law—even if that law is already outdated. Effectiveness, on the other hand, has to do with meeting objectives at the appointed hour. Effectiveness is doing the right thing at the right time. In its present condition, our bureaucracy is saddled with structures and systems fit only for a bygone age. An old bureaucratic joke asks the simple question: “If it takes two ditch-diggers two days to dig a ditch, how long would it take four ditch-diggers?” the logical answer should be one day. but—in real, bureaucratic life—the correct answer is probably “four days” or perhaps forever. Indeed, we have made government the employer of last resort. By constant addition without regard to objectives, we have assembled a workforce too big to be effective—a workforce that spends an increasing amount of its time reworking rather than working, and undoing rather than doing. To fully support local government units in their effort to deliver basic services, we ask Congress to correct the imbalance between their financial resources and the actual cost of devolution to local government units [LGUs] under the Local Government Code.

I turn now to the key legislative reform I commend to this Congress for 1995 which is tax reform. As we move towards the 21st century, we must establish a Progressive Tax System capable of funding the inevitable requirements of development and modernization while simultaneously relieving the burden from our poorer sectors. We must simplify our tax system, broaden its base, lower its rates, make it more progressive, economically efficient, and socially equitable; and eliminate areas of discretion that all too often lead to graft and corruption. In this reform effort, we need not adopt new tax measures. We can efficiently enforce or modify existing ones, rationalize our convoluted incentives system, improve collection efficiency, and strengthen our capability to prosecute and put behind bars tax cheats and tax frauds.

Tax reform will also generate a recurring flow of funds we need to invest in human capital—in improving the health, housing, education, skills, and productivity of our workpeople. Families stranded in low-income occupations

cannot prepare their children to be the productive citizens of tomorrow. We must help those children gain access to opportunities for self-improvement. In practice, the “equality” the Constitution guarantees becomes a mere abstraction without a minimum amount of economic equality in terms of housing, of health care, of basic education. The poor are the focal point of government’s social services, which are of course financed through the taxation of the more comfortable and affluent among us. Those of us who still regard the state as no more than a night watchman—whose only duty is to safeguard private property—live in an era long gone. If Philippine society is to become just and stable—if Philippine society is truly to transform itself—then we must ease the extremes of poverty and wealth left over to us from the ironies of history.

Mr. Senate President; Mr. Speaker; ladies and gentlemen of the Tenth Congress: On the eve of our Centennial of Philippine Independence, we find ourselves at the threshold of far-reaching change—change that promises to fulfill the dreams of our heroic generation of 1892-98. Not only the world has changed. The very basics of human and economic development have changed. The ability to create knowledge is rapidly replacing manufacturing power as the crucial factor among competitive economies. Information technology [IT] is the highway of the future, which compels the enactment of laws to promote this new sector of opportunity and challenges our science and business leaders to create our export niche for information technology products. We cannot remake this country without tearing open the old blinders and throwing away the old formulas. We will continue to develop only if we adapt and innovate continuously.

Many so-called “thinkers” make a profession of predicting the collapse of all our endeavors. The best reply to these prophets of doom is the continued success of our programs. Once upon a time, democracy was a millstone around our neck. Both those who sought to subvert the Philippine State—and those who sought to stop reform—used democracy’s means to bring Philippine democracy down. Philippine-style democracy is our competitive edge today, because democracy—by awakening and mobilizing ordinary people to the possibilities of their lives—enlarges tremendously our talent pool of enterprise, knowledge, and productivity. But let us not forget that the democratic way—by enlarging the latitude for debate and dissension—also demands harder work, greater cohesiveness, and social responsibility from everyone of us. If our democracy is to adapt to the dynamism—of society, culture, and politics—which is the wave of the future, then it must become more pervasive, more participatory. And government itself must become “user-friendly.” Its ruling principle must be to devolve, decentralize, deregulate, and democratize.

Ladies and gentlemen of the Tenth Congress: In the drive to make our democracy work, we of the executive branch and you of the legislature must lead and achieve. I also urge those in media to enhance public awareness of our reform programs while they continue their support and impartial reporting of national issues. Let us remind ourselves that to achieve great deeds, we must not only plan and act—we must also believe in a shared vision towards which all our energy, talent, and time must converge. At our centennial in 1998, I want to see, as surely you do, our people in command of their destiny, secure in their values—yet creative enough, audacious enough to meet new challenges with productive solutions. I want to see, as surely you of the Tenth Congress also do, the beauty and richness of our land and our seas fully restored—a gift from this—our—generation to the future ones. And I want to see, as we all do, the glow of peace and hope and joy light up the face of every Filipino.

Mga mahal na kababayan: Pagsapit ng sandaang taon ng ating kasarinlan sa 1998, pangarap nating magkaroon ang ating mga kababayan ng sapat na kakayahang hubugin ang kanilang kinabukasan—matibay ang loob at malikhain ang isipan upang tugunan ang anumang suliranin. Pangarap nating maibalik ang ganda at yaman ng ating lupain, kabundukan, at karagatan bilang ating pamana sa mga darating pang salinlahi. Pangarap nating makita muli ang liwanag ng kapayapaan sa ating bayan at pag-asa, sigla, at karangalan ng bawat mamamayang Pilipino.

Salamat sa inyong lahat.

Mabuhay ang Pilipinas!!!

**Fidel V. Ramos, Fifth State of the Nation Address, July 22, 1996**

**Message  
of  
His Excellency Fidel V. Ramos  
President of the Philippines  
To the Congress  
On the State of the Nation**

[Delivered at the Batasang Pambansa, Quezon City, on July 22, 1996]

**“UNITING FOR PEACE AND DEVELOPMENT”**

Four years ago, when I first stood before this legislature to report on the state of the nation, we could only see the future dimly—and not just because our provinces and cities were darkened by an electric power crisis. All that you and I knew then was that there are no easy answers—no quick fixes—for our ills. And the only things that sustained us were our belief that crisis can make heroes out of ordinary people—and our faith that we Filipinos can be greater than the sum of all our problems. Today, the challenge is to complete our victory over pessimism, stagnation, and decline. Today, the challenge is to give our next generation of leaders a firm foundation on which to build peace and prosperity for all our people. The correctness of our reforms so far has been validated by the growth of the economy and a new tempo of nationwide self-reliance, even at the grassroots, as expressed in our battlecry:

“Kaya ito ng Pinoy! Kayang-kaya!!”

We have demonstrated our own capability to manage our economy towards stability and sustained growth—earning the respect of the global economic community and making it unnecessary for us to depend on the IMF’s “Seal of Good Housekeeping.” Next year, we shall end 30 years of stringent economic programs under the IMF’s watchful eyes—and asserting full responsibility and credit for managing our economic growth and development into the 21st century. The IMF cites three reasons why our economy has overcome its historical cycles of boom and bust: First, growth today is being boosted by exports and investments—and not by consumer spending or government pump-priming. Second, growth is being accompanied by some increase in private savings and not necessarily by increasing external debt or foreign loans. Third, the economy has become more resilient to economic shocks.

*Is our story to be told only in terms of these economic indicators?* I say it is written even more vividly in the lives of individual Filipinos and their communities. Growth corridors, clusters, and centers all over the country are stirring ordinary Filipinos to new vigor, new ventures, new lives for themselves and their children. There still is great poverty among us, but every time we touch one family with our livelihood and social service programs; every time a quality job gives one worker a higher sense of dignity; every time we transform a Smokey Mountain into a decent place for human beings, then we loosen the iron grip poverty has on our people. The work of completion—of policies, programs, and projects—will define these last two years of my term. We must keep accelerating growth and social equity until they become self-sustaining.

In agriculture, to guarantee productivity and profitability of our primary producers, we must speed up building irrigation systems, farm-to-market roads, postharvest facilities; increase the flow of credit to our farmers, fisherfolk, and rural entrepreneurs; and optimize the role of women in agriculture. These must go hand-in-hand with our continuing effort to equip our farmers and those who make their living from the sea with the latest in technology. All these efforts should assure our food security and self-sufficiency. In energy and water, we must deliver electric power and potable water to our remotest barangays and humblest households. In this regard, we need more time to get the build-operate-transfer (BOT) and privatization proposals in place since water-related projects are much more complicated and take more time to put together than those in electric power. We can continue to fast-track needed water projects if certain provisions of the Water Crisis Act are extended. We Filipinos do not subscribe to the “grow now, clean up later” approach of some of the countries that have industrialized ahead of us. We are cleaning up as we grow: We intend to live up to the distinction given by *Newsweek International* last May of being the world’s first emerging “green tiger.” I therefore ask Congress to pass the Environment Code that is still pending in the two

chambers. As we strive for development compatible with the carrying capacity of our ecosystem, we shall need a clear basis for allocating our lands to various competing uses. I urge Congress to pass—within this session—the National Land Use Bill. Likewise, I call the attention of Congress to the need for a continuing population program. You will recall that four years ago, we adopted the Philippine Population Program that aims to improve the quality of life through rational population growth balanced with the sustainable capacity of the environment and resources to support.

We are also reviewing the institutional, policy, and funding support for our small and medium enterprises [SMEs]—which have long been the “missing middle link” in our economy. The Magna Carta for Small Enterprises increased the loanable funds set aside by the banking sector for SMEs from about P16 billion in 1992 to some P80 billion during the past four years—but this has not been quite enough. Our export gains show we can compete globally. While our traditional markets—the United States and Japan—still account for more than half of all our exports, the volume and value of the goods that we ship to ASEAN and to East Asia are rising notably. Last year, our exports to ASEAN increased by 66%, and those to South Korea by 51%. Government must, in tandem with the private sector, upgrade our research and development facilities in the emerging technologies to enable us to add higher value to our export products. Over these next two years, we should complete our efforts to shift our exports from so-called high-volume standard products to high-value customized goods and services. We now project exports to grow not anymore at an average annual rate of 20% but at 25%—to reach \$50 billion by the year 2000.

Employment levels too have been growing steadily since 1992. But since our workforce is growing at virtually the same rate as we are creating jobs, all our efforts have cut down unemployment and underemployment only marginally. We are, however, seeing improvements in the quality of jobs, and industrial peace keeps on getting better. The marked decline in strikes continues: Nationwide, they dropped below the 100-mark in both 1994 and 1995. But we must pursue a renewed, more vigorous, more focused effort to generate new jobs of the kind that assure our workers and their families stable incomes and improving quality of life. As for our overseas workers, we have made it a primary mission of our embassies to safeguard their persons and their rights. Our foreign office is even now engaged in several bilateral and multilateral negotiations on their behalf.

We have expanded our social reform agenda to cover not just the 20 poorest provinces in the Philippines but all 78 provinces and 16 administrative regions because we are giving special attention also to fifth- and sixth-class municipalities, where the bulk of our poor are to be found. In addition to being responsible for cleaning and greening their frontyards and backyards, I have also made local government executives accountable for the reduction of poverty in their respective provinces, cities, and municipalities. By the end of this year, we expect to graduate at least four provinces from the “poorest” category. For the first time, we are using an anti-poverty yardstick which we call the MBN [minimum basic needs] to measure how much is actually spent on poverty alleviation. Our budget proposal for 1997, which I am submitting today, contains explicit anti-poverty provisions. In public health, we have raised average life expectancy from 67.5 years in 1992 to 69.1 years in 1995; and cut down infant mortality, which is the most sensitive index of socioeconomic development from 53 per thousand live births in 1992 to 47 in 1995, and malnourishment among children of preschool age—from 14% in 1992 to 7% in 1995. In addition to our “Doctors to the Barrio program” to insure the delivery of health services to distant areas, we have pursued innovative and preventive health care programs which have gained worldwide recognition. In basic education, we have achieved almost universal access to elementary and high schools over the past four years. Now we are beginning to modernize our school system—both by providing them high-tech means to broaden pupils’ access to information and knowledge, and enhancing teacher training processes, especially in mathematics, science, and technology. But we still have a long way to go by the standards of our vigorous neighbors. While we have provided 3,500 scholarship slots per year to train students to become technicians, scientists, and engineers, we should at least treble this number in the next two years. In agrarian reform, we have achieved significant progress during the last four years in the distribution of agricultural land to our landless farmers. Nonetheless, we are only halfway to our final target for land distribution. We have to speed up the land distribution and productivity program between now and 1998, and Congress must both increase the ceiling of the Agrarian Reform Fund and expand its sources, and improve the adjudication system for agrarian reform. Other priority measures long awaited by our basic sectors include the proposed Fisheries Code for our fisherfolks, the Bill on Ancestral Domain for our indigenous peoples, and the repeal of Presidential Decree 772 which would decriminalize squatting and address the issues regarding the resettlement of the urban poor.



We seek stronger protection of the integrity of the Filipino family as the building block of the national community, and to guard the basic rights particularly of women, children, and young people, indigenous *katutubos*, the handicapped, the aged, and our veterans. In our programs for human resource development and as a prerequisite to sustainable development, we consider protecting Filipino children and empowering Filipino women among our highest priorities. As part of these efforts, we ask from this Congress the passage of the comprehensive juvenile justice system and a total approach against dangerous drugs—from education to prevention to law enforcement to rehabilitation to international cooperation—with the Department of Justice [DOJ] as the lead agency instead of the Department of Health [DOH]. We also seek the establishment of child and family courts to facilitate the speedy disposition of child abuse and family relations cases. Protection of the family and social integration of the marginalized sectors, especially disadvantaged women, also call for the passage of several other bills, including one long overdue which reclassifies rape as a crime not only against chastity but against a person. We are the first country, in fact, after the United Nations Conference on Women held in Beijing last September 1995, to direct all government agencies to set aside at least 5% of their budgets for gender equality concerns for the benefit of Filipino women.

In our drive against crime, we are making some progress—in reducing crime incidence, in improving our crime-fighting capabilities, and in fighting violent crimes. We have also made substantial gains in further reducing kidnapping and bank robberies, with better cooperation now resulting from community participation in crime prevention and information gathering. On the other hand, there is no longer any reason to delay action on the pending bills modernizing the Philippine National Police [PNP] and the Armed Forces of the Philippines [AFP]. More than just replacing aging equipment and providing our units and personnel with the wherewithal with which to carry out their missions, boosting their morale is even more important. We are therefore committed to upgrade the equipment, training, and pay scales of our military and law enforcement personnel, including those of the National Bureau of Investigation and the state prosecution service. To this, I add: Let us not forget to fulfill our obligations to our veterans and their survivors whose pensions must be fully paid pursuant to existing laws.

Our country's opening to the global economy and the uncertainties raised by big-power configurations emerging in our region and in other regions—all these have made necessary a broadening of our contacts and friendships in the world. The strength of our external security depends, above all else, upon good relations with our immediate neighbors. This is why we have placed the highest priority on reinforcing our relationships with our ASEAN partners; with Japan, with China, and all others with whom we share common borders. We have urgently brought the issue of the Spratlys to the world's attention—at the councils of ASEAN; the Non-Aligned Movement; the ASEAN Regional Forum; and the ASEAN-China dialogue—and are now able to sit down comfortably with China at the highest as well as working levels to ensure that conflicting claims in the South China Sea do not anymore disrupt the peace of the Asia-Pacific region. And we are taking active part in the endeavor to build one Southeast Asia. All the 10 countries of this dynamic community are now either members—or observers—in ASEAN. All have acceded to the Bali Treaty of Amity and Cooperation. Last December we, their leaders, signed a treaty to keep Southeast Asia free of nuclear weapons. We shall be submitting this treaty to the Senate for its concurrence. Philippine-United States relations must continue to be anchored on our long-range policy of “trade, not aid” for mutual benefit and on our mutual defense treaty.

Over the foreseeable future, we see East Asia's security interests as best served by a security balance among the great powers, and by their increasing economic interdependence. This is one more reason we are pushing for liberalization of the trading system through the Asia-Pacific Economic Cooperation (APEC) forum. Beyond trade and investment, APEC is also about cooperation to develop our human resources, strengthen our small and medium enterprises, and share technology and knowledge, among others—all these leading to a regional community anchored on mutual benefit and mutual respect. The 1996 APEC leaders' meeting in our country this November will have great significance for our people—in terms of new jobs, higher incomes, and opportunities for technology transfer and market access in an interdependent Asia-Pacific.

In this government's search for peace, we have made a solid breakthrough. Within two years, I am confident we shall leave our country and people a legacy of better social cohesion and political unity—on which future governments can build greater national capacity, stability, and prosperity for all Filipinos. Erstwhile military rebels have been reintegrated into civil society—even as the process of dealing with their grievances continues. Many of the reforms they suggest—in our electoral practices, for example—have been incorporated into our proposals to

Congress. I therefore ask you, the ladies and gentlemen of Congress, for your concurrence to the pending proclamations granting amnesty to members and supporters of RAM-SFP-YOU as part of our General Peace Agreement of October 1995, and reopening the application period for all categories of rebels. With the dissident National Democratic Front [NDF], our peace talks have finally moved on to substantive issues. But we are no more than cautiously optimistic, because of the ideological issues involved and the hard-line positions the NDF has taken. Fortunately, that 60-year-old conflict has substantially declined in its intensity, partly because our amnesty program has enabled individual rebels to return to the ways of peace.

The Davao City consensus of last month with the Moro National Liberation Front [MNLF], which envisions our 14 Southern Provinces and the cities therein being brought into a special Zone of Peace and Development [ZOPAD], with a Southern Philippines Council for Peace and Development [SPCPD] to promote it, moves us closer towards the resolution of the conflict that has cost more than 120,000 Filipino lives, with so many more dislocated from their homes these past 27 years. I credit the patient diplomacy of our government panel chaired by Ambassador Manuel Yan, the new statesmanship of MNLF chairman Nur Misuari, and the consistent support of the Organization of the Islamic Conference [OIC] and our partners in ASEAN, notably Indonesia, for this accomplishment. From hereon, with our vision for a peaceful and progressive Mindanao clear in our hearts and in our minds, let us manifest together, my beloved countrymen and countrywomen, in all communities in the southern Philippines, and at the level of the national leadership, that same spirit of accommodation and mutual benefit displayed by the negotiating parties. Let me underline briefly the points that are being misconstrued in the rush to judgment on the Davao consensus:

- One—No new area of autonomy has yet been established. The Autonomous Region of Muslim Mindanao [ARMM] continues to be the only area of autonomy in the southern Philippines.
- Two—The SPCPD is not a provisional government; it is not a governing authority; and it has no lawmaking power. It has no power of governance over local government units. Neither will it have control and supervision over the local police and the military.
- Three—The SPCPD is neither an autonomous region nor a political subdivision of government; it is not a public corporation; it has no separate juridical personality. It is simply a transitory administrative arm under the control and supervision of the President of the Republic of the Philippines. Its powers and functions are derivative and extensions of the powers of the President, which he may lawfully delegate.
- Four—The new area of autonomy—after Congress shall have amended the ARMM Organic Act—will include only those provinces and cities which vote to join it, in a plebiscite to be called for the purpose.

Ladies and gentlemen of the Congress: Peace is a process and it must be carefully nurtured. So is development. Peace and development always go together. Together, both are our best weapons to alleviate poverty in Mindanao and everywhere else, because the lack of either one breeds deprivation and foment tension and armed conflict. Mindanao—as well as the rest of the Philippines—needs peace if it is to achieve the sustained, broad-based development its people deserve. Of the various proposals associated with our southern Philippines peace process, the most vital is ZOPAD, not SPCPD, because that is where all—especially Congress—can take part to make maximum use of a three-year period of respite and collaboration leading to sustainable development. Many voices—pro and con—from Congress, sectoral leaders, media, and from the affected communities themselves have been heard about our peace process, and I have taken counsel of them. But the decision to go forward rests on me as your President. To paraphrase an American President,

Now there are many, many people who can recommend and advise, and a few of them consent. But there is only one who has been chosen by the people to decide.

Now, I ask all of you for your support to give our government and our people in our southern regions—Christians, Muslims, Lumads, Filipinos all—the MNLF, our soldiers, our policemen, and the people of our divided communities included—this long-sought opportunity under our transitory arrangements to convert swords into plowshares. From every part of the globe, we do not lack examples of the futility of armed conflict as a way of settling ethnic, religious, economic, social, and cultural differences.

Ladies and gentlemen of Congress: On this issue of bringing peace and making development happen in the Philippine south, I will continually ask you for your confidence and steady support. Our quest for peace and development in Mindanao is more than a journey of a “thousand miles,” as the Chinese proverb says. Our forebears had made the first steps. And we, at this time, are now near the end of this long journey. I invite you now, ladies and gentlemen of the Congress, to join me in taking the last step. As your President, I enjoin everyone to exorcise the ghosts of history. Let us cast aside our fears and our hurts. Let us give peace and development a chance in the southern Philippines.

Resolution of our homegrown conflicts will free us to focus on sharpening our competitiveness in the Asia-Pacific and world markets, as well as in the delivery of social services to our people. Competitiveness goes beyond GDP and other macroeconomic measures. It encompasses the entire spectrum of the political, social, cultural, scientific, and value systems of a country. And the lesson from East Asia is clear. Competitiveness comes from an open economy, from a stable political system, and from a united, hardworking people. Competitiveness comes from modern infrastructure, and from workpeople trained in cutting-edge technology.

The 1995 World Competitiveness Report praises the extreme openness of our national culture: the availability of competent senior managers and skilled workers, the way we have internationalized the Philippine economy, and the way our exports have grown, in both goods and services. But it identifies our country’s biggest liabilities as the inadequacy of its infrastructure, its still-primitive transport systems, and the inefficiency of its distribution of goods and services. These, despite the gigantic strides we had made in the last four years in building roads, bridges, airports, seaports, power plants, and other public facilities. The report also warns how dangerously our human development lags behind those of our competitors—our lack of physicians, the continuing drain of our skilled workers, and the high pupil-teacher ratio in our public school system. In addition to this, we must worry about our severe lack of scientists, engineers, and technicians. Thus, we must work on the things that will make us competitive in the world. We must become more efficient in our social processes and in our educational institutions. We must continue to make substantial investments in infrastructure, but this time not merely depending on purely government expenditures but on wider private sector participation. We must make not just our business enterprises but the whole of national society competitive in the world by expanding research and development [R&D] in the emerging technologies and in education, especially in science and technology at all levels. We must raise the productivity of our farms, our factories, our small and medium enterprises, our workers, and our managers—for we are now just recovering from the inefficiencies that marked our economy in past decades. In this regard, we shall soon be completing a national action agenda on productivity which I have instructed the National Economic Development Authority [NEDA] to coordinate, bringing together efforts of all sectors who are involved.

Ladies and gentlemen of Congress—I urge you to act now on economic measures I commended to this legislature last July 1995—one SONA ago. To complete our liberalization of the economy, let us repeal the remaining laws—some enacted over 40 years ago—that still limit economic growth and deny the Filipino consumers access to quality goods at lower prices. Development, indeed, exacts a price that must be paid by those who want it.

This is why I regard as urgent and crucial Congressional action on our Comprehensive Tax Reform Package [CTRP]. The CTRP is the cornerstone of our government’s effort to put the Filipino house in order and to gear up our economy for the coming era of free trade. Beyond these, tax reform is also the key component in our effort to compel the irresponsible rich to take up their rightful share of the civic burden. Right now, it is our salaried employees and the middle class who bear the bulk of the tax load. We must simplify our tax system—broaden its base, lower its rates—making it economically efficient and socially equitable; and remove from it areas of discretion that all too often lead to evasion and corruption. Our other urgent need is to generate more internal savings. Our savings rate of 19% of GNP is still well below the East Asian average of 30%. Our landmark reforms in the banking sector are designed to increase the mobilization of domestic savings, but our social insurance schemes need to be restructured and their applications to health, housing, education, and counterparting broadened. This is why I have ordered an in-depth study of a National Provident Fund System—possibly consolidating the Social Security System [SSS], the Government Service Insurance System [GSIS], and others into one, and moving the entire combination towards private enterprise. Privatization will allow an enlarged provident fund system to widen its coverage, increase management flexibility in investing its portfolio, increase statutory minimum contributions, and decentralize its operations. Privatization and the spread of share ownership to ordinary Filipinos are at the heart of our thrusts for economic progress and social equity—by the democratization of wealth and opportunity. We are

determined to shed the state's discretionary economic interventions so that government can concentrate on its proper function—which is to provide the framework of law, civic order and infrastructure within which private enterprise can flourish.

The same World Competitiveness Report also notes the need for streamlining the bureaucracy and for reforms in our justice system. To accelerate such reforms, we need above all to improve dramatically the effectiveness of public institutions. We must simplify the system of regulations, licenses, and permits accumulated over generations of big government that have often become opportunities for corruption. The entire public sector we must transform from a regulatory into a promotional and developmental paradigm serving and urging the private sector to become globally competitive—similar to those that led to East Asia's amazing transformation these past 30 years. Most crucial of all, we must pursue our earlier efforts towards a more disciplined, cohesive, and convergent bureaucracy, and make our civil service an effective instrument of the modern state. We must improve government services to the people by cutting bureaucratic red tape. A professional bureaucracy requires government to compete with the private sector for talented people. Although we have increased the salaries of civil servants below undersecretary level by an average of 40% since 1992, even now our levels of pay cannot approximate those paid by business and the professions. Improving the desired efficiency of public agencies and especially their effectiveness will not be cheap—but it will be public money well-spent.

That same 1995 World Competitiveness Report dealt also with the slow disposition of cases, which is most conspicuous in criminal proceedings. This has contributed greatly to popular frustration and marked erosion of people's faith in the administration of justice. The strengthening of the barangay justice system and the designation by the Supreme Court of 56 special criminal courts required to conduct daily trials are giant steps forward. That this improved procedure can work, we see in the Ongpin kidnapping case, the trial of which took only 20 days. We need many more reforms—not only in speeding up procedures. We also need to increase the number of metropolitan trial courts and prosecutors. We should also upgrade the salaries of lower-court judges and those of the prosecution service to make their pay commensurate with their workload.

Finally, we shall need to continue reforms in our political system so that it can keep pace with our economic modernization. Generally, we need to keep down the violence, the vote-buying, and the cheating that still characterize our electoral process. Several other proposals for electoral reform which I support and are still pending include bills which would prohibit political dynasties and which would authorize absentee voting. We should also shorten reglamentary periods for our tribunals that decide electoral protests.

Ladies and gentlemen of this Tenth Congress: Again, I call upon you to pass the bills in support of our five priority programs, namely: greater political stability and national unity; economic and social development; energy development and infrastructure modernization; protection of the environment and natural resources; and energizing the bureaucracy. I am submitting to Congress the complete list of our priority legislative measures.

Our problems are far from solved. But we have definitely made headway in dealing with them. Even more important, we have proved to ourselves that our difficulties do not arise from some deep-rooted cultural flaw. They have arisen from policy mistakes against which we have exerted collective effort and political will to set them aright—today. Our heroic generation of 1896 animated our people's ideals and aspirations. Surely, we, who are today's leaders, can move our national community closer to the ideals of democracy, freedom and fraternity—of which our national heroes dreamt. Surely we can organize for ourselves a society where ordinary people need not depend on any patron's charity, where they need not defer to anyone's superior status, where they can realize the possibilities of their lives in a peaceful and progressive national community.

The 19th-century French scholar Ernest Renan defined a nation as

[a] community with a common memory—a people that has suffered together.

We are such a community. Before the political persecutions of 1872, there was no Filipino nation. We were merely a collection of *indios*, *moros*, *mestizos*, creoles, and *katutubos*—and the archipelago we inhabited was merely the name of a place. But after the execution of the martyr-priests Gomez, Burgos, and Zamora in February of that year, no

further repression could prevent one Filipino nation—in Rizal's words, ang Sambayanang Pilipino—from being born.

Ladies and gentlemen of the Tenth Congress: Today our country calls us, not to die but to live for it. The patriotism borne of revolution and war must give way to citizenship for peace and development, which means personal commitment, social obligation, civic responsibility. If each of us pulled his or her weight, then we as a nation can be bound together not only by the common memory of our past sufferings but by the progress we can enjoy together. As leaders of our country and as its loyal sons and daughters, such is the pledge we must renew on this the 100th year of the Philippine revolution of 1896 and of Rizal's martyrdom. In the solemnity of this chamber—keenly aware of the tasks laid upon our hands by our people and by our fundamental charter—let us seize this chance to give flesh and realization to our national beliefs and aspirations. On this the dawning of our centennial of Philippine independence, if there is one paramount achievement to which we Filipinos must dedicate ourselves, it is this—that by 1998, we Filipinos must show and prove to the world that we are finally a nation united.

Sa madaling salita: Sa taong sanlibo siyam na raan at siyamnapu't walo (1998), taas-noo ang Pilipino na haharap sa buong mundo!

So, in this work we are to begin anew today, let us ask for God's guidance and support—so we can win the new challenges of peace and development.

Maraming salamat sa inyong lahat.

Mabuhay ang Pilipinas!

**Fidel V. Ramos, Sixth State of the Nation Address, July 28, 1997**

**Message  
of  
His Excellency Fidel V. Ramos  
President of the Philippines  
To the Congress  
On the State of the Nation**

[Delivered at the Batasang Pambansa, Quezon City, on July 28, 1997]

**“The Challenges Still Ahead”**

Thank you Mr. Speaker. Thank you ladies and gentlemen.

Vice President Joseph Estrada; Senate President Ernesto Maceda and Speaker Jose de Venecia; the distinguished members of the Senate and of the House of Representatives; honorable members of the Supreme Court and of the judiciary; Your Excellency Archbishop Gian Vincenzo Moreni, Dean, and their excellencies of the diplomatic corps and the heads of international organizations; the ladies of the Tenth Congress of the Office of the President and of the Office of the Vice President; my colleagues in the Cabinet; leaders and representatives of nongovernment organizations and of the basic sectors of our civil society; the leaders of business; local government executives; the Chief of Staff of the Armed Forces of the Philippines and the major service commanders; the Chief of the Philippine National Police; fellow workers in government; ladies and gentlemen:

Mga mahal na kapatid at mga kababayan, mga kagagalang-galang na bumubuo sa Ika-Sampung Kongreso: Ito na po ang aking huling pagkakataon na mag-uulat sa kapulungang ito hinggil sa kalagayan ng ating bansa. Mga kasama, maaari ring ito na ang huling pagkakataon para sa maraming kagawad ng Ika-Sampung Kongreso na makinig sa ganitong pag-uulat.

This is the last time I shall be reporting to this legislature on the state of the nation. It may also be the last time many of you in the Tenth Congress will listen to a State of the Nation Address from within these sacred halls. As we wind up, it is time we examine our political consciences by asking ourselves the bottom-line questions: *Have we improved the lives of our people during our terms? Are our people better off today than they were five years ago?* To these questions, self-serving answers will never be acceptable to political opinion. As for my administration, we are content—in any judgment of its record so far—to stand on the evidence of the economic and social indicators, the testimony of the experts, and best of all, the verdict of ordinary people.

Let us look at the key indicators over these past five years.

- The growth of our gross national product (GNP) is perhaps the best-known indicator. And the record shows that GNP growth accelerated from 1.5% in fiscal year 1991-1992 to 6.8% in 1996.
- Over the same period Filipino per capita income grew from US\$840 to US\$1,250 per head.

We have come a long way in stabilizing prices. Inflation is down, from 18.7% in 1991 to 4.6% this June. And this rate is well within the ASEAN norm, and we will remain well within single-digit in 1997. In 1992 our exports increased by 4.3% compared to their value in 1991. By 1996 our exports were expanding by 23.9% over those of the previous year.

- Investment approvals in 1996 reached some P490 billion—increasing by 20.2% over the investments generated in 1995. In my much-criticized foreign trips—apart from their other benefits to our foreign relations—by themselves have generated an estimated US\$21 billion worth of investments from 36 countries according to our Board of Investments. [*Applause*]

- Foreign tourist arrivals grew by 16% yearly over the last five years—the highest growth in the Asia-Pacific region, while domestic tourism grew from 2.7 million in 1991 to close to 10 million in 1995. The prestigious International Retirement Global Index based in Geneva named the Philippines in 1996 as the number one retirement destination in the world.

In 1992, 781,000 new jobs were created. In 1996, almost double that number were generated—close to 1.5 million jobs—reducing the national unemployment rate from 9.8% to 8.6%. From 1993 to 1996, we helped 763,000 families own their own homes. And by June 1998, we shall have provided housing assistance to our targeted 1.2 million families including those in Smokey Mountain, those along “*da riles*” and those on top of the Pasig River. [Applause] Over the same period, we shall have distributed lands to 1.5 million farmers under our Agrarian Reform Program. In health, life expectancy increased from 62.5 years in 1992 to 69.5 years in 1997. And over the same period, the infant mortality rate declined from 53.6 to 45.8 for every 1,000 live births. And functional literacy increased from 75.2% in 1989 to 83.8% in 1994.

The sum of all of these indicators of development is that, over these past five years, poverty has declined—from 40% of all Filipino families in 1991 to 35% in 1994; and this targeted to go further down to 30% by next year when the next universal measurement shall be made. The results of the administration’s liberalization and deregulation program have been particularly gratifying. For example, in place of a monopoly in telecommunications, we now have nine major players with more wanting to come in. This has improved the national telephone density from 79 persons per telephone line 1992 to 19 per one line as of June 1997 or a 450% increase. In interisland shipping, we have many new routes and 556 new vessels. In civil aviation, we have more airlines, more flights, more routes, better service, and lower fares. And two years ago, we had all of five Internet service providers. Now we have 115.

Let us now turn to the judgment of the experts. The International Monetary Fund (IMF) pronounces our country’s macroeconomic situation to be “very sound”—except for the lack of a few but critical components in the legislative program—specifically, the completion of the Comprehensive Tax Reform Package (CTRP), which we urgently need in order to exit from the IMF umbrella. The Organization for Economic Cooperation and Development (the OECD), the exclusive club of 29 rich countries, last February, invited the Philippines to take part regularly in the group’s dialogue with the so-called Dynamic Non-Member Economies. And the major international rating agencies are expected to upgrade the Philippines to investment grade over the next 12 months. And top executives in 10 Asian countries—responding to a recent survey by the Far Eastern Economic Review, said they expect the Philippines to be the third best-performing East Asian Economy in East Asia in 1997—after China and Malaysia. Yet the ultimate judge of how well a pair of shoes is made is not the shoemaker’s opinion, but the customer whose feet will hurt if the shoe pinches. And the ultimate measure of how well government works is in ordinary people’s own judgment of how its workings have affected their daily lives.

And so how many Filipinos have benefited personally from the programs of the Ramos administration? The prestigious survey institution, the Social Weather Station (SWS) which all presidentiables for 1998 want to quote—asking its respondents this key question—got this short answer: SWS says, two-thirds (65%) of Filipinos testified that they have benefited personally from this administration’s policies. [Applause] Reporting on the SWS survey results on July 7, 1997, SWS summarized the significance of these findings in three points:

- One: A clear majority of Filipinos feel they have benefited from the administration’s programs;
- Two: For quite a number of them, the scale of benefits has been large; and,
- Three: All areas of the country and all social classes have benefited more or less in a measurable way. [Applause]

So, as we can see, all three: the socioeconomic indicators, the testimony of the experts, and the verdict of ordinary Filipinos agree that these past five years have made a difference in the lives of our people. But to me, these indicators signify not just incremental changes but a qualitative transformation of our and of our people country. In their totality, they tell us the Philippines is no longer trapped in its old cycle of boom and bust. And best of all, they prove to us our problems do not arise out of some deeply rooted cultural flaw—not out of a so-called “*damaged culture*”—but from policy mistakes that our due diligence during the last five years and from hereon as well as political will can correct. That past is now over; and a great era dawns upon us and a greater Filipino future beckons.

Kaya mga mahal kong kapatid at kababayan: Marami na tayong nagawa subali't higit pang marami ang kailangan nating gawin. May kasiyahang dulot ang mga tagumpay na ating natamo nitong nakaraang limang taon. Ngunit, ang hamon ng kaunlaran ay naghihintay pa rin sa atin lahat mga Pilipino. [Applause] At ang darating na siglo ay magiging kakaiba kaysa panahon natin ngayon.

We can take satisfaction in what we have accomplished these past five years. But the challenge of development still lies ahead of us. And this coming century will be different from the one about to end. The future world will be shaped by at least two revolutionary changes. One is the adoption—on a global scale—of market-oriented strategies of industrialization. And the other is the phenomenal spread of information technology. Our reforms these past five years have moved our country into the mainstream of global commerce—into the middle of the profound changes taking place in the world. The opportunities—and the dangers—inherent in this new situation are many; and one of these contingencies hit the economy three weeks ago. Together with other ASEAN currencies, the peso came under intense speculative attack, forcing its depreciation. The peso-dollar rate has, however, largely stabilized if we look at the market today as of noon time, the peso-dollar rate stabilized and the PHISIX index went up—and why? Because our economic fundamentals are sound and strong. But there is no telling when another disturbance will occur. Let us be clear about what we should not do. We must reject all calls for a return to the closed, stagnant, and inward-looking economics of the last 40-45 years.

Ladies and gentlemen of the Tenth Congress: The answer is not to retreat from the challenge of globalization. Let us not delude ourselves. Global integration is here to stay, whether we like it or not. The answer is to ensure our economy remains vigorous and sustainable—and resilient enough to resist outside manipulations and strong enough to compete in the world. At the same time, we must reinforce the safety nets that we have put in place for our disadvantaged sectors, our poorest classes in the archipelago. We must work hard to win our place in the world—because the world will not stop for those who stand idly by on the roadside of development.

Now that we can afford to think beyond our people's immediate needs, we as national leaders must learn to look beyond the politician's perspective. We must learn to plan and prepare—not just for the next election, but for the next generation. [Applause] We must learn to look to what the world, the region, and the Philippines would be like—not just over the next presidential term but over the next 10-15 years. These years that I mentioned will be crucial. Because they may turn out to be the last years of the post-Cold War era—the last years of the superiority which America and her allies enjoy. Just now, no new superpower is likely to challenge the United States. But this period of stability underwritten by America's economic and military strength would not last forever. The future simply holds too many uncertainties. China's intentions in the South China Sea; how a new Russia will evolve from the ideological ruins of the Soviet Union; how peace can be organized once and for all on the Korean peninsula; and how Japan will respond to the challenge of helping ensure peace and stability in our region—all these remain unclear. China's rapidly expanding economy will unavoidably press politically and militarily on East Asia. And in the not-too-distant future, China will once again become a great power—and it is unrealistic for anyone to think that outsiders can prevent this from taking place. How China exercises its potential political, economic, and military clout must concern all countries of the Asia Pacific—and none more so than we who are closest among its neighbors, especially the Philippines. With our partners in ASEAN, we agree that our best approach to China is to draw her into the network of economic and diplomatic collaboration—for our mutual benefit.

The organization of an ASEAN-10 has been set back by recent events in Cambodia. But Southeast Asia's compulsion to unity is so strong that it cannot be stopped. ASEAN's Regional Forum (ARF) has drawn the great powers with interests in East Asia in a continuing dialogue to deal with regional security concerns, and among the most critical being—that the south strategic sea-lanes of the China Sea should remain an international freeway, open to all innocent passage. Toward this goal, I officially proposed in 1994 the demilitarization of the South China Islets claimed by six littoral states, and the cooperative development of their resources. In the face of this uncertain security environment, the wisest course for us to follow in our foreign relations is

- First—To strengthen our bilateral relations with every friendly country; and our commitment to ASEAN, the United Nations, the Asia-Pacific Economic Cooperation or APEC and other international fora.
- Second—To join with the so-called “*middle forces*” in the Asia-Pacific—our ASEAN partners and Australia and New Zealand—in moderating and calming the regional security environment;



- Third—To support the continued presence of the United States in Asia-Pacific as a force for stabilizing the regional power balance; and
- Fourth—To shift our Armed Forces of the Philippines from counterinsurgency to external defense and to develop a credible air and maritime capability to the fullest extent that our resources will allow.

Ladies and gentlemen of the Tenth Congress: We must take every advantage of these next 10-15 years to complete modernizing our beloved Philippines—to pull out by the roots the causes of internal dissidence—to shore up our external defenses—and to consolidate our unity with our neighbors in Southeast Asia. Only by so doing can we hope to assure the safety, the freedom and the prosperity of those who will come after us.

*And how do we assure for ourselves the place we want to have in the future world? How can we find our competitive niche—and then defend it?* The 1997 survey of the Economic and Social Commission for Asia and the Pacific (ESCAP), a United Nations agency, forecasts the region's gross domestic product (GDP) to grow within the range between 5.1% and 6.7% over the next 20 years. This is at least double the world's average GDP growth over the same period. We were at 5.5% by last we report. Our economy must at least match this growth rate. If our country is to become a significant player in the Asia-Pacific, then we must now prepare the place we want to have in this future world. We must find our competitive niche—and nurture it. *What are our basic strengths and distinct disadvantages?* They lie in our democratic and open society; our archipelagic setting; our strategic location astride the Great Oceans of Commerce of the world—the Pacific Ocean and South China Sea; and in our talented managers and our adaptable workpeople. These are our advantages. We must build in this country the constellation of skills—the education, research and development, the work ethic, and the entire infrastructure of knowledge—that will enable us to develop technological leadership. To achieve these goals, I am submitting to this legislature, today, an updated technical report containing, among other things, our list of priority bills that we ask you, the distinguished ladies and gentlemen of the Tenth Congress, to consider during this last session. The first thing we must do is to ensure that development spreads beyond the National Capital Region and our other metropolitan centers. We must awaken and energize all our regions—all our islands—all our provinces and cities and municipalities—to the possibilities of modernization. And we must tap the talent pool that still lies dormant in our 69 million people, the majority of whom are under 40 years of age. We must break the remaining concentration of economic and political power in a few—so that we can unleash the creativity, the resourcefulness, and the entrepreneurship in the many.

We have incorporated our peace initiative in the southern Philippines into a larger integrative process—to make our Muslim and indigenous communities an autonomous part of a plural national society. The Southern Philippines Council for Peace and Development (SPCPD) and its consultative assembly are now working in conjunction with the Autonomous Region in Muslim Mindanao (ARMM)—helping build political consensus, coordinating development projects, and aiding in law enforcement. In this spirit of unifying the national community and the furtherance of the peace process, I urge the passage of a bill to amend the Organic Act of the ARMM (or Republic Act 6734) to enable our people in the Zone of Peace and Development [ZOPAD] in Southern Philippines to fast-track their development within the realm of an expanded regional autonomy. *[Applause]* And in this connection, let me acknowledge the great contribution done by some of you in the House of Representatives led by the Speaker of the House himself, *[applause]* together with the chairman of our Government of the Republic of the Philippines panel, Ambassador Fortunato Abat, *[applause]* and the administrator of the National Irrigation Administration, Retired General Orlando Soriano, *[applause]* and the congressman who represents the particular district in which this breakthrough happen Deputy Speaker Simeon Datumanong, *[applause]* for now moving us one further but giant step into the final realization of peace and development in Mindanao. Likewise, ladies and gentlemen, this Congress must now pass the Cordillera Organic Act, which will enable—*sige alsipat kayo, kakabsat ken gagayyem* *[applause]*—the indigenous peoples of Northern Luzon to develop more speedily, while preserving their native culture and their environment. To make certain that development springs freely from the rice roots, we also must speed up the devolution of authority to provinces, cities and municipalities. We must remove the web of laws and regulations—administered at the national level—that restrains regions from developing each in its own way. And we must restore to local communities control over the political decisions that influence the way they live their lives. And, whatever we do, we must not allow growth to slow down—because only sustained development will enable us to finally wipe out Filipino poverty. *[Applause]* And we cannot allow our democracy to wither—because Philippine democracy is our unique comparative advantage in the new global order. *[Applause]* Only democracy can release the spirit of enterprise and creativity among our people, and without freedom, economic growth is meaningless. And so, freedom, markets, and progress go together.

Over these next 10-15 years, we must complete government's unfinished business—the most urgent of which is to modernize Philippine agriculture. [Applause] We will never achieve a generalized increase in living standards without transforming our farming communities. But we must complete other reforms—like the liberalization of retail trade and the Anti-Trust/Anti-Monopoly Act—because this will make the market system work more effectively. And we must continue to lay the infrastructure of facilities, services, and equipment that will allow national society to function more efficiently. Today, we are building infrastructure at a pace the country has not seen in 20 years. For example, we have tripled over the last five years the budget for roads and bridges alone. This pace must not slacken. For example, we have completed the road from this Batasan Complex coming from your backdoor going to the other side—with a bridge over the Marikina River—to San Mateo, Rizal, providing an alternate connection between here and there—just in case. [Applause] In social reform, we have addressed the concerns of the basic sectors and improved the quality of life in the 20 poorest provinces, and in the poorest municipalities, the fifth- and the sixth-class municipalities in all of our 78 provinces. An experimental program we call the Comprehensive and Integrated Delivery of Social Services (CIDSS) has made a significant impact on the condition of 856 pilot barangays—and so, as our national response mechanism, the CIDSS, we are applying this program to deal with people's minimum basic needs (MBN) in all of our poorest communities. The task remains unfinished; but I assure our basic sectors who are our poorest, that the executive commitment that we made in last year's anti-poverty summit will be substantively finished by the end of this year. [Applause] And this we reviewed together in our eighth social reform council meeting only three days ago. Thus, I strongly urge this legislature to pass the bills in our social reform agenda [SRA] that remain in your hands, and have long been awaited by our basic sectors, namely—the Fisheries Code, the Ancestral Domain Bill, the Land-Use Code, and the repeal of the Anti-Squatting Law otherwise known as PD 772. [Applause] We have reduced the population growth rate marginally—from 2.35% in 1990 to 2.32% in 1995. But this still means our population will double over the next 31 years, from today's near 70 million to 138 million. This press of sheer numbers will have a tremendous impact on poverty and on the degradation of our environment—unless we do something and unless we start now. And that Population Management Bill is now here in the Tenth Congress. [Applause] The plain truth is that we can no longer make do with economic leapfrogging because other countries are leapfrogging too. Our aim should be rather to pole-vault into the 21st century.

Ladies and gentlemen of the Tenth Congress: Every cloud is said to have a silver lining and I agree. The recent speculative attack on the peso may have been a blessing in disguise because it gave us Filipinos the opportunity to enhance the competitiveness of the Philippine peso. We paid a small price for the long-term stability and resilience of our economy. Not only has allowing the peso's depreciation conserved our foreign exchange reserves. It should increase the real incomes of our exporters; tourism-related industries; our farmers and fisherfolks; our heroic overseas workers and their families, and other dollar earners. It should also reduce our trade deficit; and complete the transformation of our economy from an inward to an outward orientation. Most important of all, it enables us to continue creating more and better jobs for our workpeople. Depreciation, of course, has raised some fears of inflation. But we are confident that it will remain well within single-digit levels, with corresponding price stability because, I repeat, our macroeconomic fundamentals are solid and strong. [Applause]

Financial sector reforms must focus on the need to keep our current account deficit at manageable levels. It is important that government now rationalize incentives to business to keep inefficient enterprises from proliferating. To promote efficiency and productivity in the financial sector, this Congress must now pass the remaining component measures of the Comprehensive Tax Reform Program—both to simplify taxation and to increase revenue generation. We must also nurture a stable capital market—one that will encourage long-term investment confidence; mobilize efficiently domestic savings and foreign investments for our social and physical infrastructure; and work in conformity with international standards. Development of this capital market will require the passage of the Securities Regulation and Enforcement Act, and the Revised Investment Company Act—both of which are already with this Congress. And as practiced during the past five SONAs, I shall today—30 days ahead of schedule—also submit the President's budget for 1998—all in the interest of sound financial management and the cost-effective utilization of public funds. [Applause]

In industry, we must press on with the reforms that have already brought about profound changes in our industrial capabilities. We must nurture especially small and medium enterprises, our SMEs, which generate the most jobs at the smallest capital cost. Already SMEs make up 90% of our enterprises and employ 40% of our workers in manufacturing. We are starting with the private sector a common program for creating 1 million new Filipino

entrepreneurs by the year 2000. [Applause] The Magna Carta for Small Enterprises has increased the loanable funds set aside by the banking sector for SMEs from some P16 billion in 1992 to over P110 billion over the past five years. In agriculture, we have the natural resources and we have the manpower not only to feed our own people but to export to the world. What is lacking is a concerted and determined push to bring our agriculture into modernization. To spur the development of agriculture and industry, this Congress must now pass bills pending since 1995 such as the Agricultural Productivity and Irrigation Enhancement Act of 1995, [applause] which became the Proposed Act of 1996; it is now 1997 which that provide more funds for irrigation, also agrarian reform and more electric power from renewable indigenous resources—hydro, geothermal, riptide, wind, solar, and ocean, et cetera. This would also support the fisheries sector; mandate the efficient allocation of land for agriculture and industry, and encourage the development of appropriate technology. We must continue to promote labor-friendly legislation that leads to worker productivity, and support the initiatives and programs of the Cooperative Development Authority. [Applause] We also propose the creation of a Water Resources Authority to integrate the 25 separate agencies now involved in various aspects of water management throughout the archipelago. This will enable us to unify policy and program development, and to cope with the nationwide droughts expected to happen because of the warm Pacific sea currents phenomenon known as El Niño. And we must be mindful of the need to *“keep things clean and green as we grow.”* The Ramos administration has led in the global effort to implement the UN’s so-called “Agenda 21” being the first country in our part of the world to put out its own National Council for Sustainable Development and putting out its implementing Philippine Agenda 21 (PA-21). This agenda of the United Nations on sustainable development requires specific executive actions to help nurture and preserve Mother Earth. We have taken cognizance of the fact that as we take an aggressive development agenda, we must match it with an updated, much stronger environmental management capability. That Congress has until now not passed any environmental act does not speak well of the Philippine state’s commitment to the global ideal of sustainable development. [Applause]

Deregulation and privatization have worked particularly well in transportation and communications and energy. These policies have encouraged a rapid growth in demand, enabling the private sector to offer more and varied transport services—like the Supercat ferries in the Visayas; the new airlines; and even big-ticket items like EDSA’s MRT3; the Metro Manila Skyway; the expressways extending to Clark, Subic, and Batangas port; and Terminals II and III at the Ninoy Aquino International Airport (NAIA). Business response to our deregulation of the communications industry has even been more enthusiastic. And this has allowed the government to concentrate on completing our alternate long-distance telecommunications backbone—securing satellite slots for the private sector; and on dealing with high-tech crimes such as cellphone cloning and billing fraud—for which we will be needing legislation. Over these next few months, beloved countrymen, ladies and gentlemen, we will have two Philippine satellites launched; and we shall be accelerating the development of our information infrastructure. From this Congress, we therefore seek passage of the Public Transportation Services Act, which should broaden and enhance our initiatives in deregulation. I also commend to this Congress the Shipping and Shipbuilding Incentives Bills; as well as the corporatization of the Air Transportation Office and the merger of the Land Transport Office and the Land Transportation Franchising and Regulatory Board into one National Land Transportation Authority. We are also working on the privatization of the National Power Corporation and the Philippine Postal Corporation as key elements in our effort to pole-vault into the information age. We must continually move our energy development and supply well ahead of electric power demand. If we get these things done, the distances separating our 7,107 islands will compress dramatically—as well as build virtual bridges over the waters, across the air, and into cyberspace.

Since 1992, we have worked to integrate our science community’s activities with agricultural and industrial production. Among other things, this made possible the operation of the so-called PH-net in 1994, which set off a boom in electronic networking. Science and technology scholarships granted by Congress have also widened our scientific and engineering manpower base. We have also established a network of institutes of molecular biology and biotechnology, to study biotech’s applications in agriculture, industry, medicine, and the environment. And under our pole-vaulting strategy, we aim to turn the Philippines into an Asian hub for software development and training. We have several bills relating to science and technology pending in this Congress. The highest priority we assign to the proposed “Magna Carta for Science and Technology Personnel,” which awards various incentives to our people engaged in science and technology. I commend to this Congress the proposal to establish a National Program for Gifted Filipino Children in Science and Technology; and the enactment of a law establishing a nationwide system of high schools specializing in the sciences and in engineering. And we must make more intensive investments in basic education, for basic education can unlock the intelligence hidden in every young

mind. The same is true for our “dual-training” systems, “remote” educational institutions, and “open” universities. We must make our schools not only communities of learners where our children learn to read, write, and compute. We must make them schools of the future, which nurture young Filipinos to become responsible citizens and enlightened leaders of our country. We must now move aggressively to bring our people up to speed with the global economy. To create high-wage jobs in the future, human capital investments are the key. And in this spirit, I commend to this Congress—as a Priority Administration Bill—the Magna Carta for Students endorsed by our Social Reform Council. [Applause]

We must improve government’s capacity and efficiency across the board—in its every aspect from top to bottom. The bureaucracy, the civil service we must further professionalize and local government units we must begin to use as strategic partners in development. The administration of justice we must make impartial, swift, thorough, unsparing. Law enforcement agencies we should reform, reorganize, and modernize to raise their level of competence and their standard of dedication to their duties. We will pursue our fight against heinous crimes with greater vigor even as we continue to cleanse government of the scalawags and grafters within its ranks, whether in the executive, the legislative, or judicial branch. [Applause] And I ask all of you to join me in a crusade against dangerous drugs [applause], which threaten particularly our young people. And for this crusade, we need to amend the Dangerous Drugs Law and the passage of the Anti-Racketeering Bill. And we will employ the full force of government against the criminals, the outlaws, especially their masterminds, the drug lords, and the financiers [applause] who persist in challenging the rule of law and undermining the moral fabric of our society. We will hit them hard, again and again. [Applause] Social protection we must assure particularly for women and children, who are the most vulnerable sectors of our population. In this work, thankfully, the justice system has recently brought to bar high-profile pedophiles and abusers of children. [Applause] But we do need the enactment of the Anti-Rape Bill, which could have been done in your previous session. [Applause]

The entire political system we must make more responsive to the challenges and the opportunities that the new century will bring. We must reexamine the Constitution as thoroughly as the Japanese, the South Koreans, the Thais, among others, are reexamining theirs to improve qualitatively the state’s capacity to promote the interests of the national community, even as we recognize the people’s right—enshrined in the same Constitution—to seek its improvement. [Applause] And of the political reforms we must undertake, the most important include promoting a strong and responsible party system. We must encourage the radical Left as well as the conservative Right to take a healthy role in electoral politics as former military rebels and Muslim separatist have already done. And we must strengthen the institutions of direct democracy installed in the 1987 Constitution because accountability is the very essence of representative government. We must now pursue the electoral reforms still remaining, particularly in regard to computerization and absentee voting [applause]—this are still undone and we shall need them for next year’s crucial elections. Every successful election helps to consolidate democracy in our country.

Mga kagalang-galang na bumubuo sa Ika-Sampung Kongreso: ang ating “pole-vaulting strategy” ang pamana ng pangasiwaang Ramos sa mga darating pang panguluhan. Ang mga adhikain nito para sa pamahalaan at pribadong sektor ay hindi lamang taon kundi dekada ang bibilangin bago lubusang maging katuparan.

The pole-vaulting strategy I have articulated is the Ramos administration’s legacy to future administrations. The tasks it sets for both government and civil society may take not just years but decades to realize in their fullness. Carrying out the pole-vaulting strategy is inherently the shared responsibility of all levels of government and of all sectors of society. Hence, we should continue to draw on the spirit of unity, solidarity, and teamwork that has energized our efforts these past five years. Those of us who will be graduating can continue to help and to guide. [Applause] For my part, let me assure you—for my part the work of government will never slacken during this final year of my watch. [Applause] I will not be a *lame-duck* President for two reasons [applause]: First, because that is not my nature, and you know that very well. [Applause] And second, *the times call for vigorous tigers and not enfeebled fowls*. [Applause] I will be working and governing—you will all feel and hear and see me working and governing as your President—until I turn over the Presidency to the 13th President of the Republic at high noon on 30 June 1998. [Applause]

Ladies and gentlemen of the Tenth Congress: now to sum up and conclude. On this my last state of the nation report, my message to this distinguished legislature is as urgent as it is simple: we cannot afford to think only in terms of the next election; our people will no longer allow an attitude of “business as usual” in government. We must use

these next 10-15 years—during which we may expect regional stability to continue—to prepare our people and our economy for the intensely competitive world of the 21st century. This “survival-of-the-fittest” socioeconomic order and political order imposes severe penalties on the inefficient, the unskilled, the nonproductive, the timid, the disunited, and the *lame ducks*. [Laughter] But great opportunities await the intelligent, the self-disciplined, the innovative, and the daring, the *young bulls*, and the *tiger cubs*. This is what we must resolve to make our beloved Philippines these next 10-15 years. We must complete the reforms that will make our economy, our society a more efficient creator of wealth; our social structure a more equitable distributor of benefits; and our political system the guardian of our democracy. Finally: *How should I like history to sum up these years during which this country’s political affairs have been entrusted to the Ramos presidency?*

Ito ang masasabi ko mga mahal na kapatid at mga kababayan: Ang pinakamahalagang bagay na ating nagawa ay hindi lamang ang pagbalik ng ating ekonomiya tungo sa pag-unlad. Higit pa rito, ang pinakamahalagang bagay na ating nagawa ay ang pagbalik sa bawat Pilipino ng ating paggalang sa sarili, paniniwala sa ating kakayahan, at pagtitiwala sa ating magandang kinabukasan. [Applause]

I would say this: The best thing we did has not merely been to restore the economy to the path of growth. I would say our greatest accomplishment has been to bring back the Filipino’s sense of self-respect and pride; of faith in ourselves and of confidence in the future. And in all of these, let me as your President and in behalf of our people and government, acknowledge from the depths of my heart the invaluable cooperation, goodwill, and support of the Ninth and Tenth Congress [applause] as political institutions and, likewise, to the great majority of the individual members of the Senate and of the House of Representatives, regardless of political affiliation. Together, we have labored hard and unceasingly to restore our nation to stability, growth, equity, and optimism, and for this, the present and future generations will be grateful. When that graduation day comes, we will have the honor to hand over to our successors, to the 13th President, in my case, and to the Eleventh Congress, in yours, a new kind of Philippines that our heroes of the centennial period envisioned—a Philippines that will endure through the new century dawning upon us; a Philippines where our people, under God, can live together in freedom, dignity, and prosperity, at peace with themselves and with all mankind. To all of you of the Tenth Congress, and to all our people, I say:

Let us go! Go!! Go, go, go!!!

Mabuhay ang Pilipinas!

Salamat po sa inyong lahat!

**Message of President Ramos on the passage of the General Appropriations Act for 1998 and six other Reform Bills**

**Message  
of  
His Excellency Fidel V. Ramos  
President of the Philippines  
On the Passage of the General Appropriations Act for 1998 and Six Other Reform Bills**

[Delivered in the Ceremonial Hall, Malacañang, Manila, February 14, 1998]

**An  
for hard times**

**austere**

**budget**

I AM HAPPY to sign into law R.A. 852, or the General Appropriations Act (GAA) for 1998—the enabling authority for all the programs and projects this Administration will carry out until June; and the next Administration will undertake over its first six months.

Congress has approved appropriations amounting to P495.7 billion—which make up the bulk of our projected expenditure program of P565.3 billion for this year. We will endeavor to keep up our five-year record of budgetary surplus, which has earned for us the confidence of our people and the applause of the international community.

The prevailing view that the Philippines will recover faster than other countries from East Asia's financial turmoil derives from this record. We have worked hard to install a stable democratic political system and to carry out of economic liberalization, deregulation and privatization. Our modest short-term external debt—the lowest among the ASEAN economies—insulates us from strong speculative pressures on our foreign-exchange reserves.

Our fiscal discipline will still be tested whenever speculative attacks on our currency demand the infusion of additional resources for interest payments and as peso counterparts of foreign-assisted projects. Thus I commend Congress for its foresight and wisdom in including in this law a general provision of imposing reserves on expenditures that are mostly borne by Government.

Such a provision in the GAA of 1998 is supplemented by the economy measures that the executive branch is adopting under Administrative Order 372 dated December 27, 1997, and other initiatives to rationalize, standardize and reduce the costs of government.

These austerity measures enable Government to weather currency fluctuations and to meet its targeted surplus by the end of my term in June. The imposition of reserves makes the 1998 GAA a model of judicious spending, and assures the incoming administration of adequate funding for second semester programs.

**A people-oriented budget**

In recognition of the needs of the lower income classes, we are adopting measures to mitigate the adverse effects of belt-tightening. Thus this budget contains a P2.5 billion poverty alleviation fund to support poverty-reduction programs and projects of Local Government units.

We must also implement the salary standardization law—(SSL-II)—to raise the salaries of rank-and-file employees in government to a level comparable to that of the private sector. Also within this budget are other benefits for civil service personnel, such as incentives for service fees; a provident fund scheme for emergency loans; increased allowances for policemen, jail guards and firemen; and a savings productivity fund, which is 25 percent of savings generated by agencies and which may be used for employee housing programs and other such benefits.

**Opportunities to be seized**

While East Asia may be at a difficult time, the economic outlook elsewhere in the world is good, and there are economic opportunities to be seized. Our budget contains features to enable us to use these emerging opportunities to the fullest—to generate more jobs, expand livelihood programs and protect those Filipinos who are already gainfully employed.

To improve our global competitiveness, the 1998 budget provides for the following:

- A P4.7 billion pole-vaulting fund to support crucial programs in our bid to become Southeast Asia's knowledge center; energy exporter; food basket; medical center; shoppers' paradise; trade, transport and communications hub; maritime power; center for culture and the arts; and financial center.
- Emphasis on information technology programs and projects, including the wide area network of the Department of Trade and Industry; computerization of the Bureau of Internal Revenue and the Bureau of Customs; the National Crime Information System; and computerization of the Commission on Elections.

We intend to program and manage our expenditures carefully and to maintain the integrity of our fiscal program to ensure that programs vital to our economic and social development are fully supported. We will make the people understand that judicious spending in these times of crisis is not necessarily to cut down on all expenses, but to ensure that Government spends only for programs that guarantee the best returns.

### **Exercising the line veto**

I realize the efforts that Congress has put to improve our proposal for the 1998 budget. I too have a responsibility, however, to ensure efficient management and implementation of our programs. In these trying times, we in office must be particularly prudent in our spending.

I intend to implement fully the budgetary provisions and the economy measures that will allow us to reconcile our expenditures with the resources available for them. I am, therefore, vetoing certain items—among them, the inclusion of interest payments in the General Appropriations Act of 1998.

I have said this many times before and I say it again: Debt service-interest payments are automatically appropriated and need not be included in this law. We have several laws that explicitly provide for them, and the Supreme Court has upheld the validity of automatic appropriations of such payments.

I have also applied my veto powers on particular special provisions regarding the revolving fund of the Agricultural Credit Policy Council of the Department of Agriculture; the proposed fund of the Department of Environment and Natural Resources arising from the cost of fees coming from the issuance of environmental compliance certificates; the proposed use of savings of the Philippine National Police and the reversion of unused appropriations for purchase of fire trucks of the Bureau of Fire Protection, both agencies of the Department of the Interior and Local Government; the Department of Tourism's proposed fund support to Local Government units that have historical sites; and the reversion of unreleased appropriations for budgetary support to Government-owned or controlled corporations. I veto these items because Congress cannot legislate to grant to others the powers granted exclusively to the President by the Constitution.

### **Our goal is prudent spending**

Under the general provisions of this law, I am exercising my direct veto power over Section 13 regarding national internal revenue taxes and import duties of national and Local Government agencies and Government-owned or controlled corporations; and Section 77 on capitalization or deferment of interest payment and/or restructuring of public debt. I am vetoing Section 13 in accordance with our program to adopt economy measures; and Section 77 because it does not relate to any particular appropriation of this budget.

I have also taken note of some other items which require guidelines that must reflect our goal of prudent spending.

This judicious exercise of my veto powers adequately responds to the expectations of budget reduction expressed by various sectors; gives the President leeway in the disposition of items as new conditions emerge, and gives the next Administration the financial flexibility to deal with problems that may arise in the future.

I have ordered the distribution of copies of my veto message, which enumerates the items that I have chosen to veto and explains why I am vetoing them. Most of these items were vetoed because they allow the leakage of income that should accrue to the national treasury. If there is a lesson to learn from the economic problems of East Asia, it is the need for prudent and judicious use of government funds at all times.

### **Preserving the sound fiscal position of Government**

A final word on the GAA: The budgetary realignments effected by Congress, which increased the appropriations of certain offices, agencies or special purpose funds, or the additional allocation for programs or projects, or the provision of new items in the budgets of offices, agencies or special purpose funds shall be implemented subject to Executive approval pursuant to Section 25(5), Article VI of the Constitution, and in accordance with the provisions of Section 35, Chapter 5, Book VI of E.O. 292.

In particular, I note that P14.4 billion of new budgetary items has been incorporated in the General Appropriations Bill. In light of the current economic and financial conditions and because public interest so requires, I am exercising my authority to suspend the expenditure of these budgetary items pursuant to Section 38, Chapter 5, Book VI of E.O. 292, so as to preserve and sustain the sound fiscal position of Government and ensure stable, long-term growth. I will monitor and review emerging conditions and decide on the disposition of these suspended budgetary items as may be appropriate.

### **Amending the DBP charter**

We also sign into law today R.A. 8523, which amends the charter of the Development Bank of the Philippines (DBP) to enable it to carry out its expanded powers and functions as a specialized bank and therefore achieve its mission of energizing the economy and of promoting the development of capital markets.

This law is also the timely response of Congress to the clamor at the economic summit of February 11, 1998, to make capital more readily available to the private sector. This amended charter gives DBP additional scope to help meet the challenge of global competition. The increase in DBP's authorized capital—to P50 billion from the present P5 billion—enables it more readily to hold equity in private banks that need capital pump-priming.

With its larger capital base, a market-responsive and development-focused organization and a re-energized work force, we expect the DBP to play a greater role in speeding up the circulation of capital and spurring the growth of new domestic markets. This law gives DBP a more active role in transforming the Philippines into a financial hub in Southeast Asia.

In furtherance of our political and social reforms, we also sign into law five other bills.

- R.A. 8524 amends Section 43 of the Local Government Code. It extends the term of elected barangay officials and members of the Sangguniang Kabataan from the present three years to five years.
- R.A. 8525 increases educational opportunities for our poorer communities. This law encourages the private sector to become more involved in human resource development by granting tax incentives to private companies and enterprises that will assist any public school—whether of the elementary secondary or tertiary level—particularly those within our identified “priority provinces,” under the “Adopt-a-School” program.

### **Adopt-a-School Program**



Private-sector assistance may come in the form of construction or upgrading of facilities; instructional materials; staff or faculty development; and/or modernization of instructional technologies. A coordinating council with representatives from our various national educational agencies, the Presidential Council for Countryside Development and a National Federation of Chambers of Commerce and Industry will coordinate and monitor this program.

We congratulate the people of the newly created highly urbanized city of Valenzuela by virtue of R.A. 8526. At long last, Valenzuela City has been given its due as the northern gateway to Metro Manila!

We also felicitate the residents of Talavera, Nueva Ecija, whose Dr. Paulino Garcia Memorial Research and Medical Center Extension Hospital has been upgraded under R.A. 8527. Health services are among the highest priorities of the Ramos Administration.

We must also take note of the correction contained in R. A. 8528 regarding the status of Santiago City in Isabela. It is not an independent component city but a component city; this statute allows Santiago City's voters to take part in the elections for governor, vice governor and other elective positions for the Province of Isabela.

On behalf of the Filipino people, I thank all the members of Congress for passing the laws we have signed today—including the General Appropriations Act of 1998. We are assured now that we can keep up our program of people-oriented governance for this year. At this time of economic turbulence in Asia, no other law could provide a more positive impact on what we must do to recover from the currency crisis, and return to the path of growth.

It is increasingly evident that unfolding events in our region are proving the correctness of the policies and strategies the Ramos Administration has adopted over these past five and a half years. We must continue with what we have been doing—to ensure people empowerment and global competitiveness—and the key to such continuity, the 1998 GAA or R.A. 8522, will now be implemented vigorously.

*Source:* **Presidential Museum and Library**

Ramos, F. V. (1998). *The continuity of freedom : a democratic and reformist society is our unique competitive advantage*. [Manila] : Friends of Steady Eddie.

